DENVER WATER

Comprehensive Annual Financial Report

For the year ended December 31, 2000
Denver, Colorado

Prepared by the
Accounting Section of the Finance Division

Cover Photo:

In August 2000, work began on a new 25 million-gallon underground treated water reservoir at the Foothills Treatment Plant, the largest storage tank of its kind between the Mississippi River and the West Coast. The tank is 40 feet deep and 400 feet in diameter. The floor of the reservoir was poured on December 2, 2000 with 75 concrete trucks delivering and pouring 3,300 yards of concrete while 200 workers placed, finished and inspected the concrete. The Foothills reservoir will replace some storage lost at Denver Water's two other treatment plants when water storage facilities at those plants were redesigned to act as chlorine contact basins to maintain federal water quality standards. The $12.5 million reservoir is part of a $25 million improvements project at Foothills. The reservoir is scheduled for completion in 2002.

TABLE OF CONTENTS

(Continued next page)

C - STATISTICAL SECTION (Continued)

DENVER WATER
1600 West 12th Avenue • Denver, Colorado 80254
Phone (303) 628-6000 • Fax No. (303) 628-6199

May 1, 2001

To the Board of Water Commissioners and Our Customers:

We are pleased to transmit the Comprehensive Annual Financial Report ("CAFR") of Denver Water for the year ended December 31, 2000.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with Denver Water. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of Denver Water. All disclosures necessary to enable the reader to gain an understanding of Denver Water's financial and operational activities have been included.

This report is presented in three sections as follows:

A. Introductory Section, which includes this transmittal letter, excerpts from the charter, organization chart, and list of principal officials.

B. Financial Section, which includes the financial statements, supplementary property and bond schedules, and the author's report of financial statements and schedules.

C. Statistical Section, which includes selected operational and financial information, generally presented on a multi-year basis.

The Reporting Entity

The privately owned Denver City Water Company was organized in November 1870. It was merged into the Denver Union Water Company in October 1894, along with several smaller companies serving various parts of growing Denver. In November 1918, the five-member governing board of the Denver Water Department purchased the company for the citizens of the City and County of Denver ("City"). The Denver Water Department was setup as an independent City water agency, with the philosophy that it would be operated as a business and remain separate from political influences.

Denver Water is governed by a five-member board appointed by the Mayor of the City for overlapping six-year terms. Denver Water has complete charge and control of a water works system and plant, which supplies water to customers located within the City and entities serving other customers located in certain outlying areas in the Denver metropolitan area.

In accordance with Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity," Denver Water would be classified as 1) an "other stand-alone government" since Denver Water is a legally separate and distinct entity from the City under the Charter of the City, and the City is not financially accountable for Denver Water, and 2) a "related organization" since the Mayor of the City appoints Denver Water's governing body, but is not financially accountable. The City elects to include Denver Water's financial statements in its general-purpose financial statements as a component unit enterprise fund because, in the City's opinion, the nature and significance of Denver Water's relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete.

The Mission of Denver Water is as follows:

> *Denver Water will provide our customers with high quality water and excellent service through responsible and creative stewardship of the assets we manage. We will do this with a productive and diverse work force. We will actively participate in and be a responsible member of the water community.*

The Year 2000 In Review

In the year 2000, the population base served by Denver Water exceeded one million people for the first time. Also in 2000, Denver Water delivered the largest volume of water in its history. The long, hot summer, which drove the record-breaking consumption, also produced water sales revenues that exceeded projections, leaving Denver Water in strong financial condition.

Denver Water supplied 83.6 billion gallons of treated water to its customers in 2000, exceeding the previous high set in 1988 by almost five billion gallons, or six percent. Despite this, per capita consumption was only 228 gallons per day. While that is the highest per capita daily consumption during the past 11 years, it is seven percent less than the daily per capita consumption in 1988. Additionally, from 1988 to 2000, Denver Water's treated water customer population grew by 121,000, or 14 percent, indicating that Denver Water's customers did a good job using water wisely during one of the hottest years on record.

Temperatures in Denver in 2000 exceeded the average in every month from January through September. This also contributed to the high water deliveries for the year. The city recorded 61 days of temperatures of 90 degrees or above, breaking a 1994 record of 60 days of 90 degrees or higher. Also, it was one of the driest years in the past two decades with an annual precipitation of only 14.29 inches, down more than three inches from a normal year. While there were no days in 2000 when customers used 500 million gallons or more (historically, a typical summer high use day), relatively high use was sustained throughout the entire summer season. There were 56 days in 2000 when customers used 400 million gallons of water or more. That is more than twice the number of days in any previous year.

Treatment and Water Quality

Denver Water continued to focus on water quality in 2000 with some major additions to the Foothills Treatment Plant. In August, work began on a new 25 million-gallon underground treated water reservoir, the largest storage tank of its kind between the Mississippi River and the West Coast. The tank is 40 feet deep and 400

feet in diameter. The floor of the reservoir was poured on December 2nd, with 75 concrete trucks delivering and pouring 3,300 yards of concrete while 200 workers placed, finished and inspected the concrete. The Foothills reservoir will replace some storage lost at Denver Water's two other treatment plants when water storage facilities at those plants were redesigned to act as chlorine contact basins to maintain federal water quality standards.

Fires

The hot, dry weather not only drove high water consumption but it also contributed to two devastating fires on Denver Water's watersheds. The Hi Meadow Fire burned 11,000 acres on the South Platte watershed. No Denver Water buildings were destroyed, but silt and fire debris washed into the upper end of Strontia Springs Reservoir, adding to the ongoing problem of sediment accumulation. A fire in El Dorado Canyon near Gross Reservoir burned 1,100 acres and caused the evacuation of the families of Denver Water's caretakers. About 70 acres of the area burned in the El Dorado fire were on Denver Water property.

Watershed Protection

In response to the Buffalo Creek fire in 1996, which destroyed 11,900 acres on Denver Water's South Platte watershed and left Strontia Springs Reservoir with an accumulation of debris and ash, Denver Water entered into a contract with the Colorado State Forest Service to clear fallen and dead timber and to thin growth in its forests on the Front Range. During 2000, the project cleared and conducted controlled burns on 225 acres of Denver Water's land. The Upper South Platte Watershed Protection and Restoration Project will manage Denver Water's land and surrounding forests so that 25 percent of the area is in openings of one to 40 acres, 40 percent is relatively open Ponderosa Pine, 20 percent is a combination of Ponderosa Pine and Douglas Fir, and the remaining 15 percent is old growth forest. Also, a second project began at Winiger Ridge to manage 40,000 acres around Gross Reservoir using these new forest management techniques. During 2000, the Winiger Ridge Project developed a forest stewardship plan and began the treatment and cutting of beetle-infested pines.

Conservation

The commercial and industrial conservation performance contracting program continued to grow in 2000 with nine completed contracts producing annual water savings of 76.8 acre feet. Also, seven other companies signed up to implement technological changes in production that are projected to produce another 39 acre-feet of water savings. Under the program, Denver Water "buys" the saved water from the companies through cash awards. There is a similar program for irrigation customers. It includes five contracts with projected savings of approximately 150 acre-feet per year.

Main Rehabilitation Program

During 2000, Denver Water rehabilitated more than 15,000 feet of water mains, principally in the Cherry Creek neighborhood. Relining aging water mains with cement or epoxy results in a savings of between $15 and $20 per linear foot over replacing the pipe. Pipe renovation results in better quality water as well as improvements in service.

Treated Water Quality Study

The Hydraulics Section of the Planning Division completed its study of Denver Water's distribution system and its ability to deliver water from Denver's treatment plants to its customers' homes or businesses. Utilizing projected future demands, the study evaluated the capacity of conduits, pump stations, and clear water storage

reservoirs. Vulnerabilities to these systems were identified and systematic steps were developed to eliminate the vulnerabilities. As a result of the study, Denver Water will make adjustments to its 10-year capital improvement plan to build a more reliable delivery system, while reducing the plan by $24 million over the next 10 years.

Automatic Meter Reading
In 2000, the Board of Water Commissioners approved converting to automatic meter reading. The capital plan has $40 million for the five-year project. Denver Water will realize savings in personnel costs as the new technology, which reads meters utilizing radio signals, is installed on new and existing meters.

Reuse Water Treatment and Delivery
Denver Water engineers received approval from the Board for the design and construction of a treatment and distribution system to deliver reuse water principally to the northeast section of the city for outdoor irrigation and industrial use. The project will cost $140 million and will be built in two phases. The groundbreaking will be in May 2001 and the first phase will be in operation by the year 2003.

Denver Water Employees
Denver Water's authorized staffing for 2000 was 1,046, with 1005.5 regular and introductory employees at year-end. There were 482 employees with 15 or more years of service. Twenty employees retired during the year with a combined 552 years of service. Denver Water once again experienced a low turnover rate of 8.9%.

Financial Information

Discussion of Controls

Internal Control Structure. Management of Denver Water is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of Denver Water are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Controls. In addition, although Denver Water is not legally required to adopt budgetary accounting and reporting and make appropriations for expenditures, it does maintain budgetary controls through a formal budget process, which involves:

- Maintaining a long-range plan for addition and replacement of water system facilities based on projected demands for water, which is updated annually and is used as a basis for projecting capital expenditures in the budget.

- Maintaining a long-range plan for operation and maintenance activities.

- Developing a long-range financial plan for issuance of debt and adjustment of water rates.

- Developing annual work plans by program (raw water, reuse, water treatment, delivery, and general plant), based on the long-range plan, for operation and maintenance activities and capital projects.

- Establishing cost control center budgets for labor, materials, and services for each of the projects or activities listed on the annual operation and maintenance and capital work plans, which are combined on a total entity basis.

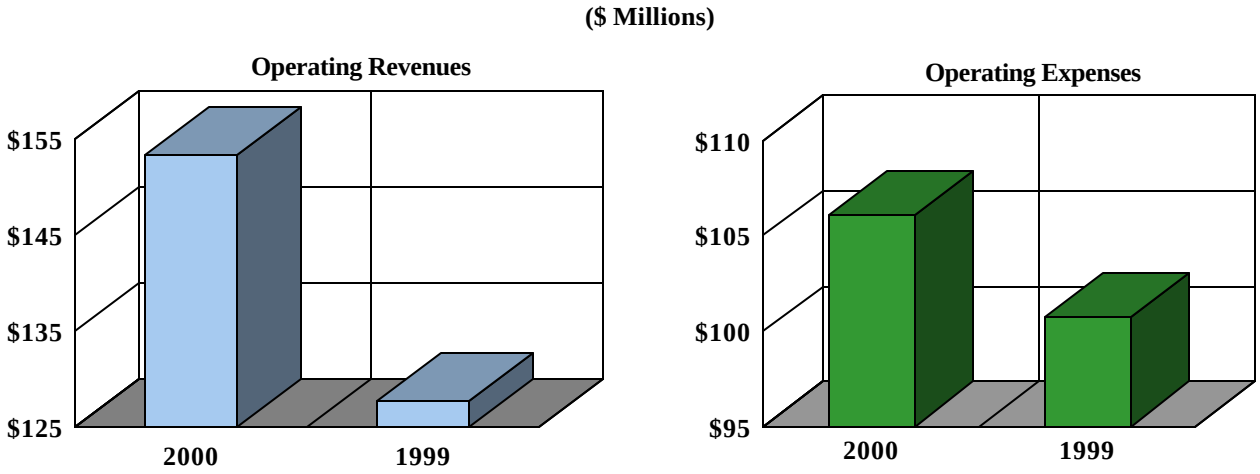
- Providing explanations for significant variances between budgeted and actual expenditures to the Board on a quarterly basis.

Discussion of 2000 Operating Results

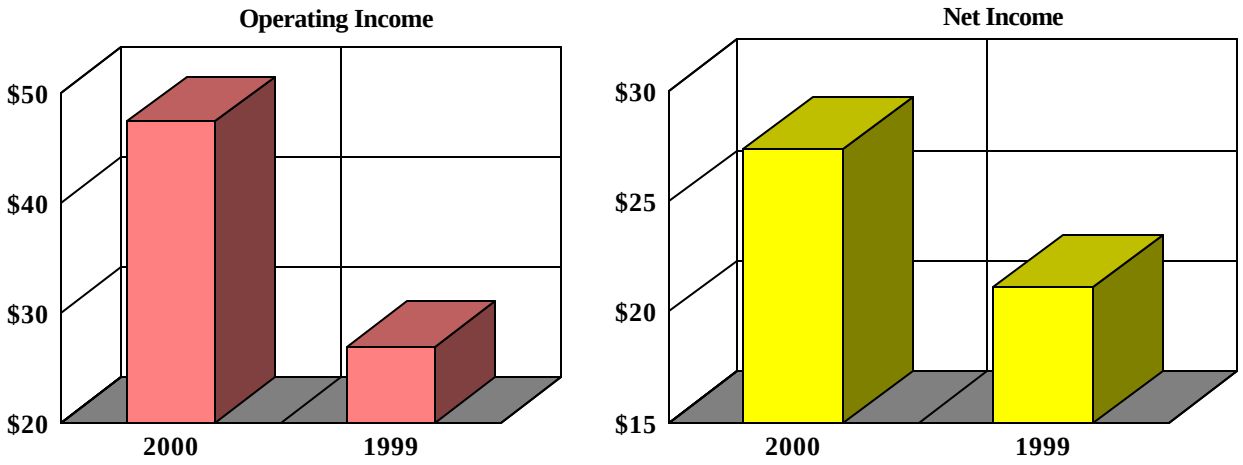
Summary operating results compared to last year are as follows (amounts expressed in thousands):

	2000	1999	Increase (Decrease)	Percent Change
Operating revenues	$ 153,429	$ 127,655	$ 25,774	20%
Operating expenses	(106,066)	(100,719)	5,347	5%
Operating income	47,363	26,936	20,427	76%
Net nonoperating expenses	(19,927)	(5,819)	14,108	242%
Net income	$ 27,436	$ 21,117	$ 6,319	30%

(See Financial Section for more details and Statistical Section for ten-year trend data.)



($ Millions)



Operating revenues increased primarily as a result of an 11% increase in treated water consumption, plus a rate increase effective March 6, 2000. ***Operating expenses*** increased as a result of waste disposal closure and postclosure care liabilities of $2.1 million (see Note 13 in the Financial Section), and increases in computer-related expenditures. ***Net Nonoperating Expenses*** increased primarily as a result of writing off obsolete engineering development costs of $14.6 million.

Additions to Property, Plant and Equipment

Capital additions for 2000 amounted to $87.5 million, an increase of $21.7 million or 33% from 1999. Additions included $59.8 million for new facilities, $22.0 million for facility replacements and improvements, and $5.7 million for general equipment. See "Additions to Property, Plant and Equipment" in the Statistical Section for more details.

Pension Trust Fund Operations

Net assets available for plan benefits decreased $18,200 in 2000, after contributions, benefit payments and gains and losses on investments, to a total of $201.1 million as of December 31, 2000. There was an excess of assets over the actuarial liability at January 1, 2000 of $6.0 million or 13.2% of covered payroll. This compares to an unfunded actuarial liability (excess of liability over assets) of $5.2 million or 11.8% of covered payroll at January 1, 1999. The pension trust fund investment return for 2000 was 2.8% for the year. This return compares with a return of -7.8% for the Standard & Poor's 500 and 4.3% for the Lehman Government/Credit index. The annual actuarial valuation continues to reflect a well-funded plan. See Note 8 in the Financial Section for more details.

Debt Administration

During the year, Denver Water issued $12,700,000 of City and County of Denver general obligation ("GO") water refunding bonds. These represent a current refunding of $12,700,000 of such bonds that matured during the year. At December 31, 2000, $211,745,000 were outstanding. Since Denver Water is committed to repay the bonds and related interest from its revenues, they are not included in any City debt limitations. At the time of sale, Denver Water received an AA+ rating from Standard & Poor's Corporation, an AA rating from Fitch IBCA and an Aa2 rating from Moody's Investors Service for the 2000 Series GO water refunding bonds issued in September. On February 22, 2001 Moody's Investors Service upgraded the underlying ratings on

Denver Water's 1991 and 1998 Series Certificates of Participation to Aa2 from A1 and the rating on the GO bonds from Aa2 to Aa1. On February 23, 2001 Fitch IBCA upgraded the Board's outstanding GO water bonds to AA+ from AA. In addition, at year-end, Denver Water had obligations totaling $48,245,000 under Certificates of Participation, and $32,265,000 Obligation Under Capital Leases. See Notes 4, 5, and 6 in the Financial Section for more details.

Disclosure Requirements

Certain information is being provided by Denver Water pursuant to various Continuing Disclosure Undertakings that have been executed by the Board in order that participating underwriters may comply with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission. The Government Finance Officers Association of the United States and Canada ("GFOA") recommends that these disclosures be contained in the CAFR. These disclosures made by Denver Water can be found on the following pages:

Audited Financial Statements	Section B - Financial Section
Total Outstanding Indebtedness	Section B - Notes 4, 5, 6, Exhibits II-A through D
Total Treated Water Delivery/Consumption	Page C-25
Number of Customer Accounts	Page C-49
Receipts and Expenditures	Page C-56, C-57
System Development Charges and Participation Fees	Page C-58

Cash Management

The principal objective of Denver Water's investment policy is safety while attaining an appropriate rate of return. At year-end, approximately 69% of the investments were held in US government and agency securities. The remaining investments were in commercial paper, rated A-1 or P-1 by Standard & Poor's or Moody's or in money market mutual funds. All securities were classified as category one, the category of least custodial credit risk as defined by the Governmental Accounting Standards Board. Denver Water earned interest income of $9.3 million on all investments for the year. The weighted average 12-month yield on the portfolio was 6.1%. See Note 3 in the Financial Section for more details.

Risk Management

The Board has a risk management program that includes self-insurance for liability, and self-insurance for employee medical and dental benefits through a commercial claims servicer. The Board carries commercial property insurance for catastrophic losses, including floods and earthquakes, for five major facilities, and carries limited insurance for other miscellaneous locations. The Board also carries commercial insurance for employee life, accident, and workers' compensation. Denver Water's liability is limited under the Colorado Governmental Immunity Act to $150,000 per person and $600,000 per occurrence. Denver Water has designated $7.5 million of its investments as available for claims covered by self-insurance. See Note 10 in the Financial Section for more details.

Other Information

Independent Audit

The City Charter requires an annual audit of the accounts of Denver Water by the City Auditor. The independent accounting firm of Arthur Andersen LLP was jointly selected by the City Auditor and Denver Water to conduct this audit for 2000. Arthur Andersen's report is included in the financial section of this report.

Awards

Comprehensive Annual Financial Report. The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to Denver Water for its CAFR for the fiscal year ended December 31, 1999. This was the twelfth consecutive year that Denver Water has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

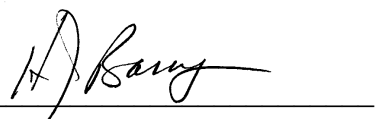
A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Annual Budget. The GFOA presented an award for Distinguished Budget Presentation to Denver Water for its annual budget for the fiscal year beginning January 1, 2000. This is the eighth consecutive year Denver Water has received this award. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

Acknowledgments

This report was prepared by the staff of Denver Water with the leadership and support of the Board of Water Commissioners.

Sincerely,



Hamlet J. Barry, III
Manager, Denver Water

David B. LaFrance
Director of Finance

(The Charter of the City and County of Denver, which can only be changed by a vote of the citizens of Denver, devotes pages 81 through 86 to the duties and responsibilities of the Board of Water Commissioners. Following are excerpts from these pages.)

"There shall be and hereby is continued and created a non-political Board of Water Commissioners of five members, to have complete charge and control of a water works system and plant for supplying the City and County of Denver and its inhabitants with water for all uses and purposes . . . .

"The Board shall have and exercise all the powers of the City and County of Denver including those granted by the Constitution and by the law of the State of Colorado and by the Charter in regard to purchasing, condemning and purchasing, acquiring, constructing, leasing, extending and adding to, maintaining, conducting and operating a water works system and plant for all uses and purposes, and everything necessary, pertaining or incidental thereto, including authority to dispose of real or personal property not useful for or required in the water works operation. The Board shall have authority to generate and dispose of electric energy for water works purposes or any other purpose of the City and County of Denver . . . . The Board shall have power in the name of the City and County of Denver to make and execute contracts, take and give instruments of conveyance, and do all other things necessary or incidental to the powers herein granted . . . . The Board shall institute and defend all litigation affecting its powers and duties or in relation to said water works system and plant and the property and rights connected therewith or incidental thereto . . . .

"There is hereby created a Water Works Fund into which shall be placed all revenues received from the operation of the water works system and plant together with all monies coming into said fund from other sources. All revenues of the Water Department shall daily be turned over to the Treasurer of the City and County of Denver who shall open and keep a separate account for said Water Works Fund and shall faithfully account for all monies received and disbursed on account thereof . . .

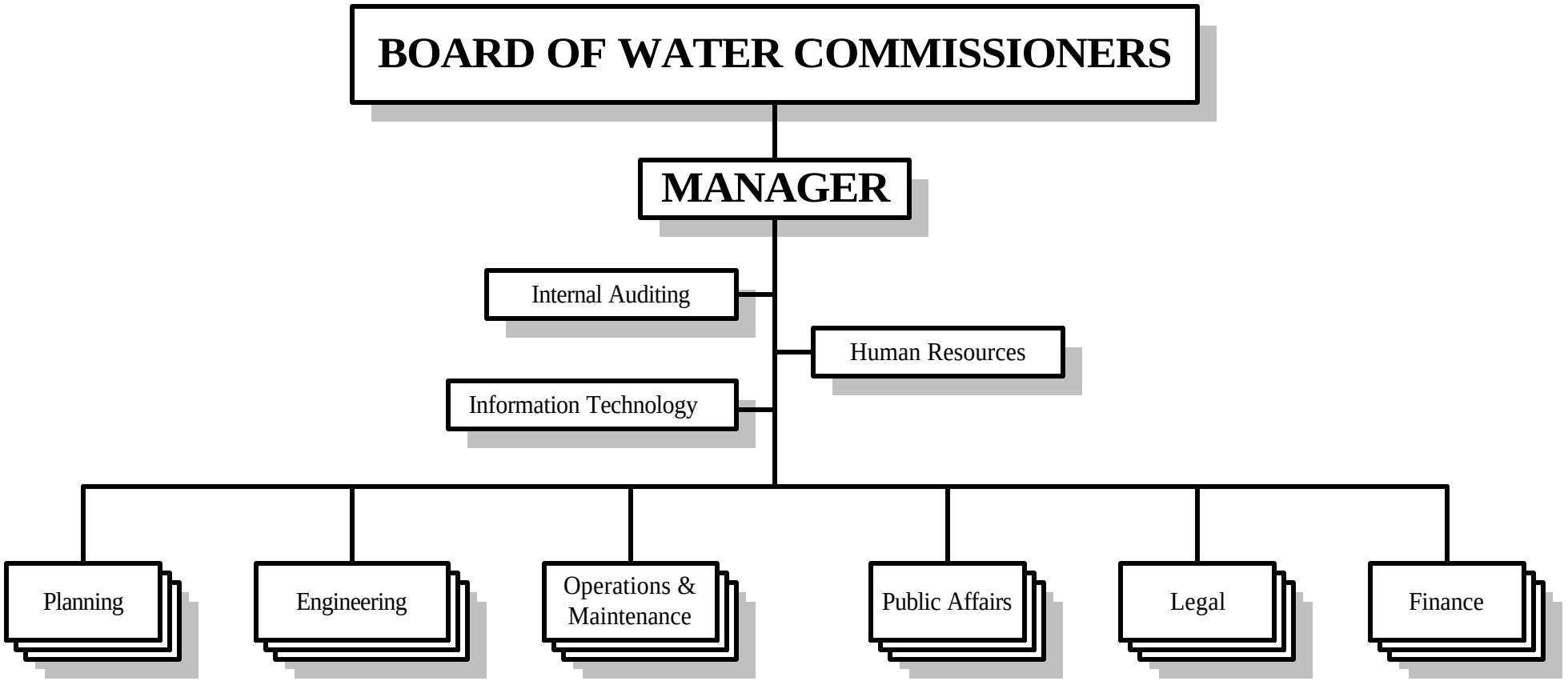
"The Board shall fix rates for which water shall be furnished for all purposes within the City and County of Denver, and rates shall be as low as good service will permit. Rates may be sufficient to pay for operation, maintenance, reserves, debt service, additions, extensions, betterments, including those reasonably required for the anticipated growth of the Denver metropolitan area, and to provide for Denver's general welfare . . . .

". . . Rates charged for water furnished for use inside the city limits of the City and County of Denver shall be uniform as far as practicable and so related to the service furnished or the volume of water used as to bring about a fair and equitable distribution among all water users of the total amount to be realized from revenues derived from the sale of water used within the City and County of Denver . . . .

"The Board shall have power to lease water and water rights for use outside the territorial limits of the City and County of Denver, but such leases shall provide for limitations of delivery of water to whatever extent may be necessary to enable the Board to provide an adequate supply of water to the people of Denver and provided, further, that every such lease shall contain terms to secure the payment into the Water Works Fund of sufficient money to fully reimburse the people of Denver for the cost of furnishing the water or water right which is the subject of such lease together with an additional amount to be determined by the Board . . . .

"Bonds, the proceeds of which shall be placed in the Water Works Fund and expended by the Board of Water Commissioners for water works purposes in the sole discretion of the Board, and secured by the general credit of the City and County of Denver and payable as to interest and principal from general ad valorem taxes which may be levied without limitation of rate or amount may be issued upon approval of the same class of electors as is provided for approval of issuance of other general obligation bonds of the City and County of Denver . . . ."

ORGANIZATION CHART - 2000



BOARD OF WATER COMMISSIONERS - 2000





Top from left, William R. Roberts, Daniel E. Muse; Bottom from left, Richard A. Kirk, Denise S. Maes, Joe Shoemaker,

William R. Roberts, President Marketing Director, Empire Construction Services	*Commissioner since July 10, 1997;* *Term expires July 10, 2003.*
Daniel E. Muse, First Vice President Attorney	*Commissioner since March 6, 2000;* *Term expires March 6, 2006.*
Richard A. Kirk Richard A. Kirk, Investments	*Commissioner since July 21, 1993;* *Term expires July 10, 2005*
Denise S. Maes, Attorney: Ballard, Spahr, Andrews &Ingersoll	*Commissioner since July 10. 1995;* *Term expires July 9, 2001.*
Joe Shoemaker, Of Counsel: Shoemaker, Wham, Krisor & Shoemaker; Manager, Meridian Golf Club; Exec. Sec., Colorado Cty. Retirement Assn.; Chrmn, Platte River Greenway Foundation	*Commissioner since July 10, 1995;* *Term expires July 9, 2001*

LAST 20 COMMISSIONERS

Max G. Brooks	January 27, 1969 to July 6, 1970	D.Dale Shaffer	August 9, 1978 to July 8, 1985
Leonard M. Campbell	July 12, 1965 to December 10, 1970	John A. Yelenick	July 14, 1969 to August 25, 1987
Armand Asborno	July 14, 1970 to July 2, 1973	Marguerite S. Pugsley	May 10, 1978 to August 25, 1987
Andrew Horan, Jr.	July 12, 1965 to January 1, 1976	Elizabeth Adrian Hennessey	November 4, 1985 to July 28, 1989
Richard S. Shannon, Jr.	July 9, 1973 to April 18, 1977	Malcom M. Murray	August 25, 1987 to July 12, 1993
Don Friedman	April 27, 1977 to May 1, 1978	Donald L. Kortz	August 25, 1987 to July 12, 1993
William G. Temple	June 28, 1962 to July 13, 1978	Monte Pascoe	September 26, 1983 to July 10, 1995
Charles F. Brannan	December 14, 1970 to September 26, 1983	Romaine Pacheco	July 31, 1989 to July 10, 1995
James B. Kenney, Jr.	January 9, 1976 to September 26, 1983	Hubert A. Farbes, Jr.	July 8, 1985 to July 14, 1997
Charles G. Jordan	September 26, 1983 to June 28, 1985	Ronald L. Lehr	July 21, 1993 to April 20, 1999

Top from left, Manager Barry, Diebel, Jordan; Bottom from left, LaFrance, Pokorney, Wells, Work

DISCRETIONARY PERSONNEL
(Employees Serving in Executive Discretionary Positions Soley at the Pleasure of the Board)

Manager and Administrative Staff
Hamlet J. Barry, III, Secretary-Manager
Jonathan L. Diebel, Director of Engineering
Charles G. Jordan, Director of Public Affairs
David B. LaFrance, Director of Finance
Edward E. Pokorney, Director of Planning
Patricia L. Wells, General Counsel
Stephen W. Work, Director of Operations & Maintenance

Other Staff
John H. Bambei, Jr., Chief of Engineering
Edith A. Carlson, Manager of Internal Auditing
Christopher Dermody, Manager of Information Technology
Sara Duncan, Intergovernmental Affairs Coordinator
Jane Earle, Manager of Public Relations
Carla Elam-Floyd, Manager of Human Resources
Kathryn M. Kempke, Manager of Treasury Operations
Kerry D. Kuykendoll, Manager of Rate Administration
David L. Little, Manager of Water Resource Planning
Trina L. McGuire, Manager of Media Relations
Michael L. Walker, Attorney
Rockford D. Wiley, Manager of General Planning

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Denver Water, Colorado

For its Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 1999

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

Anne Spray Kinney
President

Jeffrey L. Esser
Executive Director

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Honorable Donald J. Mares, Auditor,
and the Board of Water Commissioners
City and County of Denver, Colorado:

We have audited the accompanying balance sheets of the BOARD OF WATER COMMISSIONERS, CITY AND COUNTY OF DENVER, COLORADO ("the Board"), as of December 31, 2000 and 1999, and the related statements of revenues, expenses and changes in retained earnings and cash flows for the years then ended. These financial statements and the accompanying supplemental financial information are the responsibility of the Board's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Board of Water Commissioners, City and County of Denver, Colorado, as of December 31, 2000 and 1999, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental financial information on pages B-23 through B-27 is presented for purposes of additional analysis and is not a required part of the Board's basic financial statements. This information has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Arthur Andersen LLP

Denver, Colorado
March 16, 2001

BOARD OF WATER COMMISSIONERS
CITY AND COUNTY OF DENVER, COLORADO

BALANCE SHEETS
AS OF DECEMBER 31, 2000 AND 1999
(amounts expressed in thousands)

ASSETS	2000	1999
CURRENT ASSETS:		
Cash	$ 585	$ 102
Temporary cash investments, at cost which approximates fair value, including accrued interest (includes net surplus land sale receipts of $5,606 and $5,287, respectively)	151,863	126,646
Accounts receivable	14,801	14,293
Materials and supplies inventory, at weighted average cost	4,819	4,064
Total current assets	172,068	145,105
RESTRICTED INVESTMENTS	5,692	5,685
PROPERTY, PLANT AND EQUIPMENT:		
Utility plant	1,370,413	1,262,843
Nonutility plant	7,710	7,480
	1,378,123	1,270,323
Less accumulated depreciation and amortization	(344,546)	(323,054)
	1,033,577	947,269
Utility plant under capital lease, less accumulated amortization of $2,867 and $2,306, respectively	40,114	40,675
Construction in progress	71,177	95,029
Net property, plant and equipment	1,144,868	1,082,973
OTHER LONG-TERM ASSETS:		
Long-term investments	19,952	26,216
Deferred charges, less accumulated amortization of $146 and $11,684, respectively	2,435	18,791
Long-term receivable	4,382	4,888
Total assets	$ 1,349,397	$ 1,283,658

The accompanying notes are an integral part of these balance sheets.

BOARD OF WATER COMMISSIONERS
CITY AND COUNTY OF DENVER, COLORADO

BALANCE SHEETS
AS OF DECEMBER 31, 2000 AND 1999
(amounts expressed in thousands)

LIABILITIES AND EQUITY	2000	1999
CURRENT LIABILITIES:		
Accounts payable	$ 4,435	$ 4,483
Accrued payroll, vacation and other employee benefits	11,509	11,734
Construction contracts (including retainages of $1,047 and $813, respectively)	5,190	1,939
Accrued interest on long-term debt	4,602	4,669
Current portion of bonds payable	12,000	14,750
Current portion of certificates of participation	3,005	2,870
Current portion of obligation under capital lease	836	782
Total current liabilities	41,577	41,227
LONG-TERM LIABILITIES:		
Bonds payable, net	198,967	197,993
Certificates of participation, net	43,444	46,097
Obligation under capital lease, net	31,429	32,265
Customer advances for construction	41,721	47,182
Accrued sick leave	5,031	4,966
Waste disposal closure and postclosure care	2,096	-
Total long-term liabilities	322,688	328,503
Total liabilities	364,265	369,730
COMMITMENTS AND CONTINGENCIES		
EQUITY:		
Contributed capital:		
Contributions in aid of construction	188,742	172,837
System development charges	293,242	273,546
Retained earnings (reinvested in utility plant and other assets)	503,148	467,545
Total equity	985,132	913,928
Total liabilities and equity	$1,349,397	$1,283,658

The accompanying notes are an integral
part of these balance sheets.

BOARD OF WATER COMMISSIONERS
CITY AND COUNTY OF DENVER, COLORADO

STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNINGS
(amounts expressed in thousands)

	Years Ended December 31,	
	2000	1999
OPERATING REVENUES:		
Water	$ 148,919	$ 123,608
Power generation and other	4,510	4,047
Total operating revenues	153,429	127,655
OPERATING EXPENSES:		
Source of supply, pumping, treatment and distribution	42,857	41,060
General and administrative	32,499	30,215
Depreciation and amortization	23,912	22,627
Customer service	6,798	6,817
Total operating expenses	106,066	100,719
OPERATING INCOME	47,363	26,936
NONOPERATING REVENUES (EXPENSES):		
Investment income	9,838	7,417
Interest expense, less capitalized interest of $710 and $327, respectively	(16,249)	(16,800)
Gain on disposition of property, plant and equipment	127	3,479
Loss on write-off of deferred charges	(14,638)	-
Other income, net	995	85
Net nonoperating expenses	(19,927)	(5,819)
NET INCOME	27,436	21,117
Add current year's depreciation expense on utility plant acquired through contributions in aid of construction and system development charges	8,167	7,577
Increase in retained earnings	35,603	28,694
RETAINED EARNINGS (REINVESTED IN UTILITY PLANT AND OTHER ASSETS):		
Beginning of year	467,545	438,851
End of year	$ 503,148	$ 467,545

The accompanying notes are an integral
part of these financial statements.

BOARD OF WATER COMMISSIONERS
CITY AND COUNTY OF DENVER, COLORADO

STATEMENTS OF CASH FLOWS
(amounts expressed in thousands)

	Years Ended December 31,	
	2000	1999
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	$153,427	$129,695
Payments to suppliers	(21,011)	(18,231)
Payments to employees	(57,145)	(54,875)
Other receipts	706	201
Net cash provided by operating activities	75,977	56,790
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from contributions in aid of construction	13,362	7,853
Net proceeds from customer advances for construction	(5,461)	3,685
Proceeds from system development charges	25,257	24,220
Proceeds from sales of property, plant and equipment	1,612	5,957
Proceeds from long-term bonds, plus premium, less discount	12,676	14,472
Acquisition of property, plant and equipment	(79,040)	(63,897)
Principal payments for long-term bonds	(14,750)	(16,755)
Principal payments for certificates of participation	(2,870)	(2,750)
Principal payments for capital lease obligations	(782)	(732)
Interest paid	(16,376)	(16,433)
Net cash used for capital and related financing activities	(66,372)	(44,380)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales and maturities of investments	421,796	401,546
Interest received from investments	9,441	7,017
Purchase of investments	(440,359)	(420,962)
Net cash used for investing activities	(9,122)	(12,399)
NET INCREASE IN CASH	483	11
CASH, AT BEGINNING OF YEAR	102	91
CASH, AT END OF YEAR	$ 585	$ 102

The accompanying notes are an integral
part of these financial statements.

BOARD OF WATER COMMISSIONERS
CITY AND COUNTY OF DENVER, COLORADO

STATEMENTS OF CASH FLOWS
(amounts expressed in thousands)

	Years Ended December 31, 2000	1999
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	$47,363	$26,936
Adjustments to reconcile operating income to net cash provided by operating activities-		
Other nonoperating revenue and expense items, net	2,548	2,127
Depreciation and amortization of property, plant and equipment	23,912	22,627
Change in assets and liabilities-		
Accounts receivable	(2)	2,048
Materials and supplies inventory	(39)	(112)
Prepaid expenses	307	202
Accounts payable	(48)	2,161
Accrued payroll, vacation and other employee benefits	(160)	809
Unearned revenues	-	(8)
Waste disposal closure and postclosure care	2,096	-
Net cash provided by operating activities	$75,977	$56,790
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:		
Assets acquired through capital contributions (see Note 1 - Property, Plant and Equipment)	$ 5,149	$ 4,984
Write off of deferred charges (see Note 1 - Property, Plant and Equipment)	14,638	-

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2000 AND 1999

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Board of Water Commissioners (the "Board") was created under the Charter of the City and County of Denver, Colorado (the "City") as an independent, nonpolitical board. The Board has complete charge and control of a water works system and plant, which supplies water to customers located within the City and to entities serving other customers located in certain outlying areas in the Denver metropolitan area.

The Board has a five-member governing body, which is appointed by the Mayor of the City for overlapping six-year terms. In accordance with Governmental Accounting Standards Board ("GASB") Statement No. 14, "*The Financial Reporting Entity*," the Board would be classified as 1) an "other stand-alone government" since the Board is a legally separate and distinct entity from the City under the Charter of the City, and the City is not financially accountable for the Board, and 2) a "related organization" since the Mayor of the City appoints the Board's governing body, but is not financially accountable. However, the City has elected to include the Board's financial statements in the City's general purpose financial statements as a component unit enterprise fund because, in the City's opinion, the nature and significance of the Board's relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete.

As required by accounting principles generally accepted in the United States, the Board's financial statements present the Board and its component units. The Board's interest in the component unit discussed below is blended with the Board's reporting entity because of the significance of its operational or financial relationship with the Board.

The Denver Capital Leasing Corporation ("DCLC") was organized by the City as a nonprofit corporation in accordance with state law to facilitate financing of certain capital projects for the City and the Board. DCLC is governed by a three-member board appointed by the Mayor, and is reported as a component unit of the City. It is similar to an "undivided interest," an ownership arrangement in which two or more parties own property in which title is held individually to the extent of each party's interest, each party is liable for specific, identifiable obligations, and borrowing is done individually. Each party reports its own assets, liabilities, revenues, and expenses.

DCLC entered into a Master Lease Purchase Agreement ("MLPA") with the Board pursuant to which the Board leases from DCLC certain facilities. The Board constructed the facilities with proceeds from the execution and delivery of Certificates of Participation ("Certificates"), evidencing assignments of proportionate interests in rights to receive certain revenue of the Board under its MLPA with DCLC. The Certificates are payable solely from the Board's lease payments under the MLPA. DCLC has no obligation to make any payment on the Certificates. As the Board effectively has assumed substantially all of the risks and rewards of ownership, the Board accounts for the leased assets and related lease obligations as its own assets and its own debt (see Note 4).

The Employees' Retirement Plan of the Denver Board of Water Commissioners, (the "Plan"), the Board's trusteed single-employer defined benefit pension plan, is part of the Board's entity but has been excluded for financial reporting purposes because of the following provision of the Plan (see Note 8):

> The Plan and the Retirement Trust Fund created by the Plan were established and shall be maintained for the exclusive benefit of the eligible employees of the Board and their beneficiaries. No part of the Retirement Trust Fund can ever revert to the Board or be used for or diverted to purposes other than the exclusive benefit of the employees of the Board and their beneficiaries or the payment of expenses of the Plan.

Separate audited financial statements are available for the Plan.

Basis of Accounting

The Board's financial statements are accounted for on the flow of economic resources measurement focus, using the accrual basis of accounting. Under this method, all assets and liabilities associated with operations are included on the balance sheet, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions. These estimates may affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Accounting Standards

The Board applies all applicable pronouncements of the GASB as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Statements and Interpretations of the Financial Accounting Standards Board ("FASB"), Opinions of the Accounting Principles Board, and Accounting Research Bulletins of the Committee on Accounting Procedure of the American Institute of Certified Public Accountants. In accordance with GASB Statement No. 20, the Board has elected not to apply FASB pronouncements issued after November 30, 1989.

Statements of Cash Flows

The definition of cash for purposes of the statements of cash flows is cash on hand and equity in treasurer's cash which represents cash on deposit with the City Treasurer in the Water Works Fund. Treasurer's cash is available for immediate withdrawal upon request by the Board. The 2000 statement of cash flows was prepared using the "direct" method and the 1999 statement was restated, in anticipation of GASB Statement No. 34, *"Basic Financial Statements--and Management's Discussion and Analysis--for State and Local Governments,"* ("GASB No. 34"), which becomes effective in 2002 (discussed below).

Investments

The Board's investments consist entirely of money market investments (commercial paper, banker's acceptances, and U.S. Treasury and agency obligations). Those having a remaining maturity at time of purchase of one year or less are valued at amortized cost. Those having a remaining maturity at time of purchase of greater than one year would ordinarily be valued at fair value. However, in both 1999 and 2000, the difference in the fair value based on quoted market prices and amortized cost were immaterial, and those securities were also valued at amortized cost (see Note 3).

Materials and Supplies Inventory

Materials and supplies inventory is valued at weighted average cost, which approximates market.

Property, Plant and Equipment

Purchased and constructed property, plant and equipment ("PP&E") are recorded at cost. Donated PP&E are recorded at their estimated fair market value on the date received.

Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the respective depreciable or amortizable asset classes as follows:

Buildings and improvements	10 - 80 years
Motor vehicles and motorized equipment	7 - 50 years
Furniture, machinery and equipment	5 - 20 years

Depreciation and amortization for the years ended December 31, 2000 and 1999 were as follows (amounts expressed in thousands):

	Years Ended December 31, 2000	1999
Operating expenses, water service	$ 23,912	$ 22,627
Nonoperating expenses	109	105
Other, as allocated	1,842	1,926
Total depreciation and amortization	25,863	24,658
Less amortization of plant-related studies included in deferred charges (before write-off, see below)	(1,393)	(1,389)
Total depreciation and amortization of property, plant and equipment	$ 24,470	$ 23,269

Contributions in aid of construction ("CAC") represent facilities, or cash payments for facilities, received from property owners, governmental agencies and customers who receive benefit from such facilities. System development charges ("SDC") represent fees charged to customers to connect to the water system. Assets acquired through CAC and SDC are included in property, plant and equipment. Depreciation applicable to such assets is computed using the straight-line method over 80 and 60 years for CAC and SDC assets, respectively, and is charged to operations and then closed to the related equity accounts.

Maintenance and repairs are charged to expense as incurred, whereas major betterments are capitalized and depreciated or amortized. At the time of retirement or disposition of depreciable property, the related cost and accumulated depreciation are removed from the accounts, and the resulting gain or loss is reflected in net income.

Costs of certain engineering, feasibility, environmental and other studies are capitalized until the related projects become operational. When projects become operational, the costs are transferred to property, plant and equipment and depreciated over the estimated useful life of the asset. In the event the projects do not become operational or the costs do not benefit future projects, all accumulated costs are expensed in the period such determination is made. If the projects become inactive but are not abandoned, the costs are

carried as deferred charges and amortized over their estimated useful lives, or until the related projects become operational or abandoned. At December 31, 2000 and 1999, inactive development costs included in deferred charges which, in the Board's opinion, will be used in connection with future construction activities, totaled $178,000 and $16.2 million, respectively, net of amortization. During 2000, certain inactive development costs with a net book value at year-end of $14.6 million were written off to Loss On Write-Off of Deferred Charges due to obsolescence of the underlying data.

Interest during the construction period is capitalized on major construction projects. Certain applicable general and administrative costs of an overhead nature are also capitalized, and such costs are depreciated over the estimated useful lives of the related assets when the related assets are transferred to PP&E.

Interest earned on funds received from the execution and delivery of Certificates is netted against capitalized interest for those projects.

Revenue

The Board accrues for estimated unbilled revenues for water provided through the end of each year since the last reading of the meters based on the billing cycle.

Rates

Under the City Charter, the Board is empowered to set rates for all of its customers. These rates "...may be sufficient to pay for operation, maintenance, reserves, debt service, additions, extensions, betterments, including those reasonably required for the anticipated growth of the Denver metropolitan area, and to provide for Denver's general welfare...."

On October 6, 1998, the Board approved a rate increase, effective January 4, 1999, which was estimated to increase normalized annual revenues by .7%.

On October 19, 1999, the Board approved a rate increase, effective March 6, 2000, which was estimated to increase normalized annual revenues by 2.5%.

On September 19, 2000, the Board approved a rate increase, effective January 1, 2001, which is estimated to increase normalized annual revenues by 2.4%.

Employee Compensated Absences

The Board's policy is to accrue for employee vacation, sick leave and other compensated absences when the employee vests in such benefits.

Waste Disposal Closure and Postclosure Care

The Board implemented GASB Statement No. 18, “Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs,” in 2000 (see Note 13).

Recently Issued Accounting Standards

In June 1999, GASB No. 34 was issued, which establishes a new financial reporting model for state and local governments. The adoption of GASB No. 34 will only affect the Board’s financial statement presentation. Changes to the Board’s financial reporting, effective in 2002, will include: a) addition of a “Management’s Discussion and Analysis” (“MD&A”), b) presentation changes to the equity section of the balance sheet, and c) inclusion of proceeds from CAC and SDC on the Statement of Revenues, Expenses and Changes in Retained Earnings. The change to the “direct” method for preparation of the Statements of Cash Flows was implemented in 2000 (discussed above).

(2) CONTRIBUTIONS IN AID OF CONSTRUCTION AND SYSTEM DEVELOPMENT CHARGES

Changes in CAC and SDC for the years ended December 31, 2000 and 1999 were as follows (amounts expressed in thousands):

	CAC	SDC
Balance, December 31, 1998	$ 162,419	$ 254,483
Additions	12,837	24,221
Current year's depreciation expense	(2,419)	(5,158)
Balance, December 31, 1999	172,837	273,546
Additions	18,511	25,257
Current year's depreciation expense	(2,606)	(5,561)
Balance, December 31, 2000	$ 188,742	$ 293,242

(3) CASH AND TEMPORARY CASH INVESTMENTS

Colorado statutes and the City Charter authorize the Board to expend funds for the operation of the Board, including the purchase of investments. The Board has an investment policy that allows for the following investments:

- U.S. Government direct obligations and unconditionally guaranteed federal agency securities
- Other federal agency securities
- Repurchase agreements
- Banker's acceptances
- Commercial paper
- Money market mutual funds

The Board's investments are categorized to give an indication of the level of custodial credit risk assumed by the Board at year-end. Under the criteria of GASB Statement No. 3, "*Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements*," ("GASB No. 3"), Category 1 includes investments which are insured or registered or held by the Board or its agent in the Board's name; Category 2 includes investments which are uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Board's name; and Category 3 includes investments which are uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, but not in the Board's name.

The Board's restricted and unrestricted investments (current and long-term) at December 31, 2000, at cost and fair value, consisted of the following (amounts expressed in thousands):

	Carrying Amount and Fair Value
U.S. Government and Agency Securities	$ 123,176
Commercial Paper	46,529
Total Category 1	169,705
Money Market Mutual Funds (Not Categorized)	7,802
	$ 177,507

The Board's bank balances are also categorized to give an indication of the level of custodial credit risk assumed by the Board at year-end. Under the criteria of GASB No. 3, Category 1 includes bank balances which are insured or collateralized with securities held by the Board or its agent in the Board's name; Category 2 includes bank balances which are collateralized with securities held by the pledging financial institution's trust department or agent in the Board's name; and Category 3 includes bank balances which are uncollateralized (this includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Board's name).

The carrying amount of cash at December 31, 2000, was $585,000, and the bank balances totaled $841,000. Of the total of bank balances, $100,000 was insured by federal depository insurance (Category 1), and the remainder was collateralized with securities held by banks in their trust departments pursuant to the Colorado Public Deposit Protection Act, and as such, are classified as Category 2.

(4) CERTIFICATES OF PARTICIPATION

The Certificates (see Note 1) were executed and delivered pursuant to a Mortgage and Indenture of Trust Agreement between a bank, acting as trustee ("Trustee") and DCLC, pursuant to which DCLC assigned all of its rights, title, and interest under the MLPA to the Trustee. The MLPA is subject to termination on an annual basis by the Board, upon which any outstanding Certificates will be payable solely from funds held by the Trustee and any amounts made available by the Trustee's sublease or sale of the leased assets under the MLPA.

Certificates were first used in 1987 to finance the construction of pretreatment facilities for the Marston Treatment Plant. The Certificates in the amount of $28,185,000 were executed and delivered, to be retired over a 20-year period at an average interest rate of 7.82%. The pretreatment facilities were completed in 1989.

In 1991, additional Certificates in the amount of $58,930,000 were executed and delivered to provide the Board with financing for the construction of improvements to the Moffat Treatment Plant, the construction of the 64th Avenue Pump Station, and to advance refund $20,735,000 of the 1987 Certificates. The 1991 Certificates were to be retired over a 20-year period at an average interest rate of 6.70%.

In 1998, additional Certificates were executed and delivered in the amount of $34,885,000 with an average interest rate (true interest cost) of 4.309% to advance refund $32,075,000 of the total $54,025,000 outstanding 1991 Certificates. The net proceeds of $34,940,000 (after premium, reserve fund payments, and issuance

costs) were used to purchase U.S. Government securities, which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Certificates until their call date on November 15, 2001. As a result, they are considered to be defeased and the liability for those Certificates has been removed from the Board's balance sheet at December 31, 1998.

The partial advance refunding of the 1991 Certificates resulted in a difference between the reacquisition price and the net carrying amount of the old Certificates ("deferred amount on refunding") of $2,481,000. This difference, reported in the accompanying financial statements as a deduction from the Certificates, is being amortized as a component of interest expense through November 2011. At December 31, 2000, $27,800,000 of the 1991 Certificates outstanding is considered defeased, and the unamortized deferred amount on refunding deducted from the Certificates is $1,683,000.

The MLPA, as amended and restated, requires a reserve fund be established from proceeds of the Certificates. The reserve fund is to be used in the event the Board fails to make payment of any base rental payments or other payments and fees defined in the MLPA. At December 31, 2000 and 1999, the reserve fund was $5,692,000 and $5,685,000, respectively, and is recorded as Restricted Investments. At the end of the lease term, the reserve fund and any related interest will be released to the Board.

A summary of scheduled payments for the Certificates as of December 31, 2000, is as follows (amounts expressed in thousands):

	Principal	Interest	Total
Year of Maturity:			
Current:	$ 3,005	$ 2,502	$ 5,507
Long-term:			
2002	3,145	2,349	5,494
2003	3,295	2,198	5,493
2004	3,455	2,027	5,482
2005	3,635	1,846	5,481
After 2005	31,710	7,061	38,771
	45,240	15,481	60,721
Less discount, net of premium	(113)	-	(113)
Less deferred amount on refunding	(1,683)	-	(1,683)
Total long-term	43,444	15,481	58,925
	$ 46,449	$ 17,983	$ 64,432

The Certificates are also collateralized by certain assets purchased and/or constructed under the MLPA. The related net book value of the assets that collateralize the Certificates at December 31, 2000 and 1999 is as follows (amounts expressed in thousands):

	Years Ended December 31,	
	2000	1999
Restricted investments	$ 5,692	$ 5,685
Utility plant in service	91,146	101,363
Less-accumulated depreciation	(15,744)	(18,567)
	$ 81,094	$ 88,481

(5) PROPERTY UNDER CAPITAL LEASE

On July 21, 1992, the Board entered into an agreement amending the lease agreement of March 3, 1987 with the Colorado River Water Conservation District ("District") whereby the District was required to construct Ritschard Dam and Wolford Mountain Reservoir ("Wolford") on Muddy Creek, a tributary of the Colorado River north of Kremmling, Colorado. In consideration of quarterly and semiannual lease payments for 27 years beginning after issuance of a notice of award for construction and payments of 40% of the annual operating costs of Wolford beginning after the end of the lease term, the District will convey to the Board at the end of the lease term ownership, use and control of 40% of the storage capacity of Wolford and 40% of the water right. The present value of the minimum lease payments at the beginning of the lease term, including a $2.4 million nonrefundable deposit, was $43 million, and the Board recorded an asset and obligation under capital lease of that amount. The project was completed in the fall of 1995.

Minimum capital lease payments were $3,000,000 during both 2000 and 1999. The following is a schedule by year of future minimum lease payments, together with the present value of the minimum lease payments as of December 31, 2000 (amounts expressed in thousands):

Year Ending December 31:	
2001	$ 3,000
2002	3,000
2003	3,000
2004	3,000
2005	3,000
After 2005	43,500
Total minimum lease payments	58,500
Less interest at 6.75%	(26,235)
Present value of minimum lease payments (obligation under capital lease)	32,265
Less current portion	(836)
	$ 31,429

(6) BONDS PAYABLE

Bonds payable consists of general obligation water improvement and refunding bonds of the City. The Board is committed to repay the bonds and related interest from its revenues. Interest rates for the bonds outstanding at December 31, 2000, range from 4.4% to 6.0%. The average interest rate on all outstanding bonds was 5.21% and 5.18% for the years ended December 31, 2000 and 1999, respectively. A summary of debt maturity for the bonds as of December 31, 2000, is as follows (amounts expressed in thousands):

	Principal	Interest	Total
Year of Maturity:			
Current:	$ 12,000	$ 11,053	$ 23,053
Long-term:			
2002	11,390	10,450	21,840
2003	11,265	9,895	21,160
2004	13,530	9,336	22,866
2005	22,940	8,654	31,594
After 2005	140,620	40,633	181,253
	199,745	78,968	278,713
Plus discount, net of premium	(221)	-	(221)
Less deferred amount on refunding	(557)	-	(557)
Total long-term	198,967	78,968	277,935
	$ 210,967	$ 90,021	$ 300,988

In prior years, the Board defeased certain City General Obligation bonds in order to reduce its total debt service payments and to obtain an economic gain (difference between the present values of the old and new debt service payments) by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Board's financial statements. The advance refundings resulted in a difference between the reacquisition price and the net carrying amount of the old debt, the "deferred amount on refunding." This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being amortized as a component of interest expense. At December 31, 2000, all defeased bonds have been paid.

(7) DEFERRED COMPENSATION PLANS

The Board has a deferred compensation plan for its employees, created in accordance with Internal Revenue Code Section 457. The plan, available to all regular and discretionary employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or qualifying unforeseeable emergency. Participation in the plan is voluntary, and the Board does not make any contributions. The Board has no liability for losses under the plan but does have the usual fiduciary responsibilities of a plan sponsor.

On December 1, 1998, the Board adopted the Denver Water Supplemental Retirement Savings Plan ("SRSP"). All regular and discretionary employees are eligible to participate in the plan. During 1999, the Board applied for and received qualified plan status for the SRSP under Section 401(k) of the Internal Revenue Code. Under the terms of the plan, beginning in 1999, the Board will make a matching contribution to the SRSP's trust fund each year in an amount equal to 100% of each participant's elective contributions, limited

to 3% of the participant's base salary for the year. During 2000 and 1999, the Board made contributions totaling $1,263,000 and $1,126,000, respectively, to the SRSP.

(8) DEFINED BENEFIT PENSION PLAN

Plan Description

The Board sponsors and administers a trusteed, single-employer defined benefit pension plan, (the "Plan"). The Plan provides retirement benefits with limited annual cost-of-living adjustments to retired members and, if elected by the member, to his or her surviving spouse. Members of the Plan include substantially all regular and discretionary full-time and part-time employees of the Board. It also provides retirement benefits in the event of total and permanent disability, and a $5,000 death benefit. Article IV, Chapter C4.19 of the Charter of the City assigns the authority to establish and amend benefit provisions to the Board; however, any amendment that substantially impairs the property rights of employees will not become effective until approved by two-thirds of the employees. The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to: Manager of Treasury Operations, MC 210, Denver Water, 1600 West 12th Avenue, Denver, CO 80204-3412.

Funding Policy

The Contribution requirements of plan members and the Board are established and may be amended by the Board, which acts as trustee of the Plan. The Plan's funding policy provides for periodic Board contributions at actuarially determined amounts sufficient to accumulate the necessary assets to pay benefits when due. These required contributions may vary and are not expressed in terms of fixed dollar amounts or as percentages of annual covered payroll. Plan members are not required to make contributions, but may elect to make voluntary after-tax contributions to the Plan for the purpose of purchasing an additional monthly benefit. The additional benefit is in the form of an immediate monthly annuity with no cost-of-living adjustment. The Board intends to continue making annual contributions to the Plan based on current annual actuarial valuations, but reserves the right to suspend, reduce or permanently discontinue all contributions at any time, pursuant to the termination provisions of the Plan.

Annual Pension Cost

The Board's annual pension cost for 2000 was $3,464,000, equal to the Board's required and actual contributions. The required contribution was determined as part of the January 1, 2000 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 8% investment rate of return (net of administrative expenses), (b) projected salary increases ranging from 5% to 11% per year, and (c) 5% per year cost-of-living adjustments for members terminating or retiring before September 1, 1995, and 4.4% per year for members terminating or retiring on or after September 1, 1995. Salary increases include an inflation component of 5.0%. The actuarial value of Plan assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. The Plan's unfunded actuarial accrued liability is being amortized in level dollar amounts on a closed basis. The remaining amortization period at January 1, 2000 was 35 years.

Trend Information

Three-year trend information for the Board's pension cost and contributions is as follows (amounts expressed in thousands):

Year	Cost (APC)	Contributed	Obligation
1998	$ 5,094	100%	-
1999	$ 4,435	100%	-
2000	$ 3,464	100%	-

A Schedule of Funding Progress for the Plan is as follows (amounts expressed in thousands):

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
1/1/98	$ 152,453	$ 166,451	$ 13,998	91.6%	$ 42,861	32.7%
1/1/99	$ 165,762	$ 170,984	$ 5,222	96.9%	$ 44,148	11.8%
1/1/00	$ 184,124	$ 178,160	$ (5,964)	103.3%	$ 45,204	(13.2)%

(9) POSTRETIREMENT BENEFITS

As part of the retirement program revisions instituted in 1995, the Board, under authority of the City Charter, established a postretirement health care benefit in the form of a $125 fixed monthly subsidy for medical, dental, or vision insurance coverage obtained through the Board's health plan to all employees taking early retirement. The subsidy begins with the first pension payment and continues until the retiree reaches age 65 or until pension payments cease, whichever is earlier. The subsidy is not written in the retirement plan or paid out of retirement plan funds and can only be used each month to offset part or all of that month's cost of insurance coverage. Currently, 85 retirees are eligible to receive this benefit. Expenses of this program are recognized as incurred, which amounted to $120,000 and $102,000 during 2000 and 1999, respectively.

(10) RISK MANAGEMENT

The Board is exposed to various risks of losses including general liability (limited under the Colorado Governmental Immunity Act to $150,000 per person and $600,000 per occurrence), property damage, and employee life, medical, dental, and accident benefits. The Board has a risk management program that includes self-insurance for liability, and self-insurance for employee medical and dental benefits through a commercial claims servicer. The Board carries commercial property insurance for catastrophic losses, including floods and earthquakes, for five major facilities: the Westside Complex, Marston Treatment Plant and Lab, Moffat Treatment Plant, Foothills Water Treatment Plant, and the Reuse Plant. It carries limited insurance for other miscellaneous locations. The Board also carries commercial insurance for employee life, accident, and workers' compensation. Workers' compensation insurance is under a retrospectively rated policy whereby the initial premiums are adjusted based on actual experience during the period of coverage. Settled claims have not exceeded commercial insurance coverage in any of the past three years.

Claims expenses and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Premiums on the retrospectively rated policy are accrued based on the ultimate cost of the experience to date. These losses include an estimate of claims that have been

incurred but not reported. At December 31, 2000, claims liabilities consisting of workers' compensation, medical and dental benefits were $1,738,000. Changes in the balances of these liabilities during 1999 and 2000 were as follows (amounts expressed in thousands):

	Beginning-of-Year Liability	Current-Year Claims and Changes in Estimates	Claim Payments	Balance at Year-End
1999	$ 1,426	$ 6,438	$ (5,736)	$ 2,128
2000	$ 2,128	$ 6,915	$ (7,305)	$ 1,738

The Board has designated $7.5 million of its investments as available for claims covered by self-insurance.

(11) PREPAID SYSTEM DEVELOPMENT CHARGES

South Adams County Water and Sanitation District ("SACWSD")

On December 23, 1997, the Board and SACWSD entered into a Memorandum of Understanding, and on November 30, 1998, entered into a final agreement, whereby the Board will supply 4,000 acre-feet of treated water annually to SACWSD beginning on or before January 15, 2004, for which SACWSD paid $22,920,000 in December 1997. The agreement was contingent upon SACWSD's acquiring, developing, and conveying to the Board storage facilities for 8,000 acre-feet of water along the South Platte River downstream of Denver, and improvements to the Board's 56th Avenue facilities. SACWSD had the right to terminate the agreement if total costs of the project exceeded $46 million. The right of termination expired on February 1, 1999, without being exercised, and SACWSD paid $9,000,000 to the Board during 1999 for the storage facilities and improvements. The Board initially recorded all payments in Customer Advances for Construction. During 2000 and 1999, $4.7 million and $3 million, respectively, were transferred from Customer Advances for Construction to Contributions in Aid of Construction. When the Board begins supplying water under the agreement, the $22,920,000 will be transferred to System Development Charges.

Excel Energy

In January 1998, the Board and Excel Energy ("Excel") entered into an agreement whereby the Board will supply up to 5,200 acre-feet of nonpotable reuse water annually from the Board's proposed nonpotable reuse plant to Excel's Cherokee generating plant beginning January 2006, for which Excel paid $12,519,000 in January 1998. The agreement states that if the Board notifies Excel by December 31, 1999 that the reuse plant will not be constructed, the agreement will terminate and the Board will refund the full amount adjusted by the Handy-Whitman Index of Public Utility Construction Costs. The Board has not made this notification to Excel and this contingency is no longer in effect. The Board recorded the payment in Customer Advances for Construction. When the Board begins supplying water under the agreement, the payment will be transferred from Customer Advances for Construction to System Development Charges.

(12) LITIGATION

In August 1995, the Board received the results of an environmental self-audit, which revealed that a pipe to which several shop drains were connected was a storm drain rather than a sanitary sewer drain. The Board fixed the problem immediately and then reported itself to the Colorado Department of Public Health and Environment ("CDPHE"). Under Colorado's self-audit law, CDPHE cleared the Board of any penalty. However, the U. S. Environmental Protection Agency ("EPA") requested a copy of the audit and other

information under both the Clean Water Act and the Resource Conservation and Recovery Act ("RCRA"), a statute that deals with hazardous materials and hazardous waste. The EPA subsequently referred potential violations under both the Clean Water Act and RCRA to the U.S. Department of Justice ("DOJ"). On February 1, 1999, the Board was informed that DOJ was prepared to file an enforcement action in federal district court alleging one claim under the Clean Water Act and seven claims under the RCRA. The Board negotiated a settlement with the DOJ and EPA whereby the Board paid a penalty of $48,000 and is performing the following "supplemental environmental projects" that benefit the environment: 1) executed a contract for $58,000 to purchase trees and shrubs for the Overland section of the South Platte restoration project, and 2) executed a contract to construct a building containing a paint shop, a vehicle wash and a waste management facility, which will result in a significant reduction in the amount of hazardous waste and wastewater. Construction of the building is well underway and will be completed before the deadline of October 11, 2001.

(13) WASTE DISPOSAL CLOSURE AND POSTCLOSURE CARE COSTS

The Board operates a landfill at the Foothills Water Treatment Plant for disposal of aluminum sulfate solids/residuals generated as a by-product of the potable water treatment process at the Foothills and Marston Water Treatment Plants. It also operates sludge drying ponds at Ralston Reservoir for treatment of water treatment residuals generated as a by-product of the potable water treatment process at the Moffat Water Treatment Plant. Both sites have been in operation since 1995. State and federal laws and regulations require the Board to perform certain closing functions on these disposal sites when they stop accepting waste, including placing a final cover on the Foothills landfill, and to perform certain maintenance and monitoring functions at the sites for thirty years after closure.

Although these sites are not municipal solid waste landfills, and are outside the scope of GASB Statement No. 18, *"Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs*," ("GASB No. 18"), the Board voluntarily implemented the provisions of that statement in 2000 to meet state and federal financial assurance requirements discussed below. Prior years were not restated due to the immateriality of the amounts involved.

As required by GASB No. 18, although closure and postclosure care costs will be paid only near or after the date that the disposal sites stop accepting waste, the Board reports a portion of the Foothills closure and postclosure care costs as an operating expense and liability in each year based on landfill capacity used as of each balance sheet date. The Board reports the entire liability for closure and postclosure care costs for the Ralston sludge drying ponds since they are not "filled" like a landfill, but are reusable.

Approximately $2.1 million is reported as Waste Disposal Closure and Postclosure Care liability at December 31, 2000, which represents the cumulative amount based on the use of 49% of the active portion of the Foothills landfill and 100% of the Ralston drying beds. The Board will recognize the remaining estimated cost of the Foothills postclosure care of $370,000 as the remaining capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2000. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. The remaining life of the Foothills landfill is estimated to be five to six years for the active disposal area of 21.5 acres. In addition, there is expansion capability of 65 acres with an indefinite life. The Ralston drying beds have an indefinite life.

The Board is required by state and federal laws and regulations to establish financial assurance sufficient to ensure full payment of closure and postclosure care of its disposal sites by selecting one of a variety of financial mechanisms. The Board chose the "Local Government Financial Test" which includes profitability requirements, minimum general obligation bond ratings, unqualified audit opinions, and the implementation of GASB No. 18.

SUPPLEMENTAL INFORMATION

EXHIBIT I

BOARD OF WATER COMMISSIONERS
CITY AND COUNTY OF DENVER, COLORADO

PROPERTY, PLANT AND EQUIPMENT
FOR THE YEAR ENDED DECEMBER 31, 2000
(amounts expressed in thousands)

	Depreciation Life (Years)	Cost				Accumulated Depreciation and Amortization				Cost Less Accumulated Depreciation and Amortization as of December 31, 2000
		Balance, December 31, 1999	Additions and Transfers	Sales and Retirements	Balance, December 31, 2000	Balance, December 31, 1999	Provision	Sales, Retirements and Transfers	Balance, December 31, 2000	
UTILITY PLANT IN SERVICE:										
Source of supply plant	10 - 80	$ 362,655	$ 20,295	$ (77)	$ 382,873	$ 94,859	$ 4,453	$ (10)	$ 99,302	$ 283,571
Pumping plant	20 - 80	35,679	7,773	(23)	43,429	11,685	771	(22)	12,434	30,995
Water treatment plant	20 - 80	202,484	28,047	(146)	230,385	48,163	4,134	(68)	52,229	178,156
Transmission and distribution plant	30 - 80	562,657	42,812	(331)	605,138	124,898	8,058	(115)	132,841	472,297
General plant and equipment	5 - 50	78,206	11,398	(2,936)	86,668	38,060	5,774	(2,190)	41,644	45,024
Leasehold and other improvements	5 - 10	7,072	775	-	7,847	2,831	610	-	3,441	4,406
Land held for future use		14,090	-	(17)	14,073	-	-	-	-	14,073
Total utility plant in service		1,262,843	111,100	(3,530)	1,370,413	320,496	23,800	(2,405)	341,891	1,028,522
NONUTILITY PLANT IN SERVICE:										
Plant	10 - 80	7,404	245	(12)	7,637	2,519	104	(10)	2,613	5,024
General equipment	10 - 20	76	-	(3)	73	39	5	(2)	42	31
Total nonutility plant in service		7,480	245	(15)	7,710	2,558	109	(12)	2,655	5,055
UTILITY PLANT UNDER CAPITAL LEASE	80	42,981	-	-	42,981	2,306	561	-	2,867	40,114
CONSTRUCTION IN PROGRESS		95,029	(23,852)	-	71,177	-	-	-	-	71,177
Total property, plant and equipment		$ 1,408,333	$ 87,493	$ (3,545)	$ 1,492,281	$ 325,360	$ 24,470	$ (2,417)	$ 347,413	$ 1,144,868

EXHIBIT II-A

BOARD OF WATER COMMISSIONERS
CITY AND COUNTY OF DENVER, COLORADO

GENERAL OBLIGATION WATER IMPROVEMENT AND REFUNDING BONDS
OUTSTANDING AT DECEMBER 31, 2000
(amounts expressed in thousands)

Date of Issue	Interest Rates on Bonds Outstanding as of December 31, 2000	Amount Issued	Amount Retired	Amount Outstanding	Bonds Which Are Callable: Callable Amount	Bonds Which Are Callable: Bond Nos.**	Bonds Which Are Callable: Initial Date Callable
Sep 1, 1992*	5.75-5.90%	$ 16,060	-	$ 16,060	$ 16,060	Regstrd.	Sep. 1, 2002
Mar 1, 1993*	4.75-5.25%	59,600	9,770	49,830	49,045	Regstrd.	Sep. 1, 2001
Sep 1, 1993*	4.80-5.10%	15,600	-	15,600	15,600	Regstrd.	Sep. 1, 2003
Jun 15, 1994*	4.75-5.50%	131,835	74,135	57,700	35,895	Regstrd.	Oct. 1, 2003
Sept. 15, 1995*	4.75-5.00%	12,825	1,000	11,825	6,000	Regstrd.	Oct. 1, 2005
Sept. 15, 1996*	4.60-5.375%	16,975	3,005	13,970	7,330	Regstrd.	Oct. 1, 2006
Aug. 1, 1997*	4.40-5.50%	19,530	-	19,530	11,900	Regstrd.	Oct. 1, 2007
Sept. 15, 1999*	5.50-6.00%	14,530	-	14,530	11,550	Regstrd.	Oct. 1, 2013
Sept. 15, 2000*	4.80-5.50%	12,700	-	12,700	10,410	Regstrd.	Oct. 1, 2011
		$299,655	$87,910	211,745	$163,790		
Plus discount, net of premium				(221)			
Less deferred amount on refunding				(557)			
				$ 210,967			

* Refunding Serial Issue.
** Callable Bonds are redeemable in inverse serial order.

BOARD OF WATER COMMISSIONERS
CITY AND COUNTY OF DENVER, COLORADO

SUMMARY OF DEBT SERVICE REQUIREMENTS OUTSTANDING
AT DECEMBER 31, 2000
YEARS 2001 TO 2029 INCLUSIVE
(amounts expressed in thousands)

Year	Bond Retirements (Exhibit II-C)	Bond Interest (Exhibit II-D)	Total Debt Service
2001	$ 12,000	$ 11,053	$ 23,053
2002	11,390	10,450	21,840
2003	11,265	9,895	21,160
2004	13,530	9,336	22,866
2005	22,940	8,654	31,594
2006	20,145	7,477	27,622
2007	25,215	6,425	31,640
2008	23,550	5,082	28,632
2009	15,770	3,777	19,547
2010	23,200	2,970	26,170
2011	7,380	1,729	9,109
2012	5,310	1,336	6,646
2013	3,030	1,071	4,101
2014	2,665	921	3,586
2015	2,805	787	3,592
2016	-	647	647
2017	-	647	647
2018	-	647	647
2019	-	647	647
2020	-	647	647
2021	-	647	647
2022	-	647	647
2023	-	647	647
2024	-	647	647
2025	-	647	647
2026	-	647	647
2027	-	647	647
2028	-	647	647
2029	11,550	647	12,197
Total	211,745	90,021	301,766
Plus discount, net of premium	(221)	-	(221)
Less deferred amount on refunding	(557)	-	(557)
	$ 210,967	$ 90,021	$ 300,988

EXHIBIT II-C

BOARD OF WATER COMMISSIONERS
CITY AND COUNTY OF DENVER, COLORADO

SCHEDULE OF BOND RETIREMENTS FOR BONDS OUTSTANDING AT DECEMBER 31, 2000
YEARS 2001 TO 2029 INCLUSIVE
(amounts expressed in thousands)

Year	Series 1992 Refunding	Series 1993A Refunding	Series 1993B Refunding	Series 1994 Refunding	Series 1995 Refunding	Series 1996 Refunding	Series 1997 Refunding	Series 1999 Refunding	Series 2000 Refunding	Total
2001	-	$ 785	-	$ 9,135	$ 1,100	$ 980	-	-	-	$ 12,000
2002	-	2,020	-	6,180	1,165	1,025	1,000	-	-	11,390
2003	-	1,425	-	6,490	1,175	1,075	1,100	-	-	11,265
2004	-	3,155	-	6,810	1,185	1,130	1,250	-	-	13,530
2005	-	12,045	-	7,180	1,200	1,185	1,330	-	-	22,940
2006	500	9,365	300	7,335	-	1,245	1,400	-	-	20,145
2007	3,600	15,370	2,200	1,210	-	1,285	1,550	-	-	25,215
2008	11,960	5,665	1,800	1,010	-	1,415	1,700	-	-	23,550
2009	-	-	11,300	1,010	-	1,460	2,000	-	-	15,770
2010	-	-	-	11,340	6,000	1,540	2,500	1,820	-	23,200
2011	-	-	-	-	-	1,630	2,800	660	2,290	7,380
2012	-	-	-	-	-	-	2,900	-	2,410	5,310
2013	-	-	-	-	-	-	-	500	2,530	3,030
2014	-	-	-	-	-	-	-	-	2,665	2,665
2015	-	-	-	-	-	-	-	-	2,805	2,805
2016	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	11,550	-	11,550
	$ 16,060	$ 49,830	$ 15,600	$ 57,700	$ 11,825	$ 13,970	$ 19,530	$ 14,530	$ 12,700	$ 211,745

EXHIBIT II-D

BOARD OF WATER COMMISSIONERS
CITY AND COUNTY OF DENVER, COLORADO

SCHEDULE OF BOND INTEREST FOR BONDS OUTSTANDING AT DECEMBER 31, 2000
YEARS 2001 TO 2029 INCLUSIVE
(amounts expressed in thousands)

Year	Series 1992 Refunding	Series 1993A Refunding	Series 1993B Refunding	Series 1994 Refunding	Series 1995 Refunding	Series 1996 Refunding	Series 1997 Refunding	Series 1999 Refunding	Series 2000 Refunding	Total
2001	$ 945	$ 2,567	$ 793	$ 3,007	$ 586	$ 709	$ 959	$ 820	$ 667	$ 11,053
2002	945	2,530	793	2,568	533	664	959	820	638	10,450
2003	945	2,433	793	2,259	477	615	915	820	638	9,895
2004	945	2,363	793	1,928	419	564	866	820	638	9,336
2005	945	2,206	793	1,574	360	508	810	820	638	8,654
2006	945	1,591	793	1,193	300	449	748	820	638	7,477
2007	916	1,104	778	799	300	387	683	820	638	6,425
2008	706	297	668	734	300	321	598	820	638	5,082
2009	-	-	576	679	300	248	516	820	638	3,777
2010	-	-	-	624	300	170	418	820	638	2,970
2011	-	-	-	-	-	88	292	711	638	1,729
2012	-	-	-	-	-	-	149	674	513	1,336
2013	-	-	-	-	-	-	-	674	397	1,071
2014	-	-	-	-	-	-	-	647	274	921
2015	-	-	-	-	-	-	-	647	140	787
2016	-	-	-	-	-	-	-	647	-	647
2017	-	-	-	-	-	-	-	647	-	647
2018	-	-	-	-	-	-	-	647	-	647
2019	-	-	-	-	-	-	-	647	-	647
2020	-	-	-	-	-	-	-	647	-	647
2021	-	-	-	-	-	-	-	647	-	647
2022	-	-	-	-	-	-	-	647	-	647
2023	-	-	-	-	-	-	-	647	-	647
2024	-	-	-	-	-	-	-	647	-	647
2025	-	-	-	-	-	-	-	647	-	647
2026	-	-	-	-	-	-	-	647	-	647
2027	-	-	-	-	-	-	-	647	-	647
2028	-	-	-	-	-	-	-	647	-	647
2029	-	-	-	-	-	-	-	647	-	647
	$ 7,292	$ 15,091	$ 6,780	$ 15,365	$ 3,875	$ 4,723	$ 7,913	$ 20,611	$ 8,371	$ 90,021

STATISTICAL SUMMARY: 1991 - 2000

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Population Served[1]	**1,000,000**	984,000	970,000	957,000	945,000	952,000	947,000	928,000	912,000	908,000
Total Treated Water Delivered/Consumption in Million Gallons	**83,585.25**	75,232.01	77,466.65	75,363.33	76,203.96	65,267.91	76,516.08	72,562.61	73,043.27	67,435.91
Average Daily Consumption in Million Gallons	**228.38**	206.12	212.24	206.47	208.21	178.82	209.63	198.80	199.57	184.76
Average Daily Consumption per Capita in Gallons	**228**	209	219	216	220	188	221	214	219	203
Maximum Daily Consumption in Million Gallons	**478.19**	475.66	512.53	517.57	456.99	453.55	479.01	438.20	414.11	414.79
Maximum Hour Treated Water Use Rate (MGD)[2]	**751.47**	676.26	763.87	712.48	736.53	565.13	717.57	661.80	643.60	599.82
Treated Water Pumped in Million Gallons	**47,953.92**	38,149.92	33,990.21	34,179.67	39,578.30	32,115.03	40,720.24	35,826.13	32,613.51	29,349.37
Raw Water Storage Capacity in Acre-Feet	**545,476**	545,476	545,476	545,476	545,476	545,476	545,476	545,476	545,476	546,164
Replacement Reservoir Storage Capacity in Acre-Feet	**96,822**	96,822	96,822	96,822	96,822	96,822	96,822	96,822	96,822	96,822
Supply from South Platte River in Acre-Feet[3]	**133,912**	210,777	190,948	194,478	131,242	178,286	134,116	117,914	131,341	126,503
Supply from Moffat System in Acre-Feet	**59,811**	57,272	54,220	77,630	60,520	69,271	45,782	38,468	49,984	67,558
Supply from Blue River/Roberts Tunnel System in Acre-Feet	**102,750**	54,064	48,384	92,174	89,268	98,176	90,479	135,770	89,573	83,681
Treated Water Pumping Capacity in MGD[2]	**1,052.5**	1,052.5	1,027.5	1,027.5	1,027.5	1,116.8	1,116.8	1,091.8	1,091.8	1,091.8
Raw Water Pumping Capacity in MGD[2]	**92.2**	92.2	92.2	92.2	92.2	92.2	92.2	92.2	92.2	92.2
Treatment Plant Capacity in MGD[2]	**645.0**	645.0	645.0	645.0	645.0	645.0	645.0	645.0	645.0	645.0
Treated Water Reservoir Capacity in Million Gallons	**378.75**	378.75	371.75	400.5	408.2	408.2	408.2	393.2	393.2	393.2
Supply Mains in Miles (Mountain Collection System)	**77.6**	77.6	77.6	77.6	77.6	77.6	77.6	77.6	77.6	77.6
Supply Mains in Miles (Metropolitan Denver Area)	**40.7**	40.7	39.2	39.2	39.2	39.3	39.3	39.3	39.3	39.3
T&D Mains in Miles (Inside Denver and Total Service Contract Distributors)	**2,474.0**	2,449.0	2,416.0	2,486.1	2,464.0	2,442.6	2,377.6	2,362.8	2,355.6	2,343.4
Nonpotable T&D Mains in Miles	**17.3**	16.4	15.6	15.6	14.7	14.6	-	-	-	-
Total Active Taps-End of Year[1]	**282,985**	278,374	274,938	271,338	268,676	271,999	268,506	265,233	262,184	259,695
Fire Hydrants Operated & Maintained	**13,991**	13,681	13,136	13,575	13,298	13,005	12,524	12,364	12,282	12,196
Breaks in Mains - Denver	**243**	195	166	251	200	147	222	239	206	225
Service Leaks	**907**	663	779	591	648	548	631	635	550	637
Fire Hydrants Tested and Repaired	**23,875**	25,052	27,150	26,188	14,894	18,086	16,195	14,823	19,689	22,981
Employees (Authorized Staffing)	**1,046**	1,044	1,036	1,032	1,030	1,031	1,063	1,068	1,086	1,109
Financial Information[4]										
Gross Property, Plant & Equipment	**$ 1,492,281**	$ 1,408,333	$1,347,620	$ 1,282,062	$1,236,743	$1,209,646	$1,173,637	$1,145,118	$ 1,117,889	$1,032,229
Net Property, Plant & Equipment (after depreciation)	**$ 1,144,868**	$ 1,082,973	$1,042,918	$ 993,753	$ 968,496	$ 959,945	$ 941,516	$ 926,511	$ 899,916	$ 830,229
Additions to Property, Plant & Equipment	**$ 87,493**	$ 65,806	$ 73,095	$ 47,664	$ 33,178	$ 38,491	$ 35,355	$ 48,543	$ 121,442	$ 82,362
Operating Revenues[5]	**$ 153,429**	$ 127,655	$ 128,570	$ 121,074	$ 118,580	$ 94,952	$ 100,992	$ 85,143	$ 81,637	$ 76,107
Operating Expenses[5]	**$ 106,066**	$ 100,719	$ 97,489	$ 93,202	$ 92,072	$ 86,742	$ 79,888	$ 78,651	$ 73,655	$ 72,156
Operating Income	**$ 47,363**	$ 26,936	$ 31,081	$ 27,872	$ 26,508	$ 8,210	$ 21,104	$ 6,492	$ 7,982	$ 3,951
Net Income (Loss)	**$ 27,436**	$ 21,117	$ 21,611	$ 19,198	$ 8,193	$ (6,883)	$ 3,461	$ (11,115)	$ (9,833)	$ (8,202)
Retained Earnings (Reinvested)	**$ 503,148**	$ 467,545	$ 438,851	$ 410,129	$ 384,448	$ 370,098	$ 371,225	$ 364,077	$ 370,080	$ 375,081
Total Long-Term Debt[6]	**$ 289,681**	$ 294,757	$ 299,773	$ 329,466	$ 334,618	$ 340,598	$ 346,806	$ 349,585	$ 350,885	$ 311,175

[1]Population estimates based on treated water customers only. Beginning in 1996, population served and active taps exclude the City of Broomfield.

[2]MGD = Million Gallons per Day.

[3]Supply includes effluent exchanges.

[4]Amounts expressed in thousands.

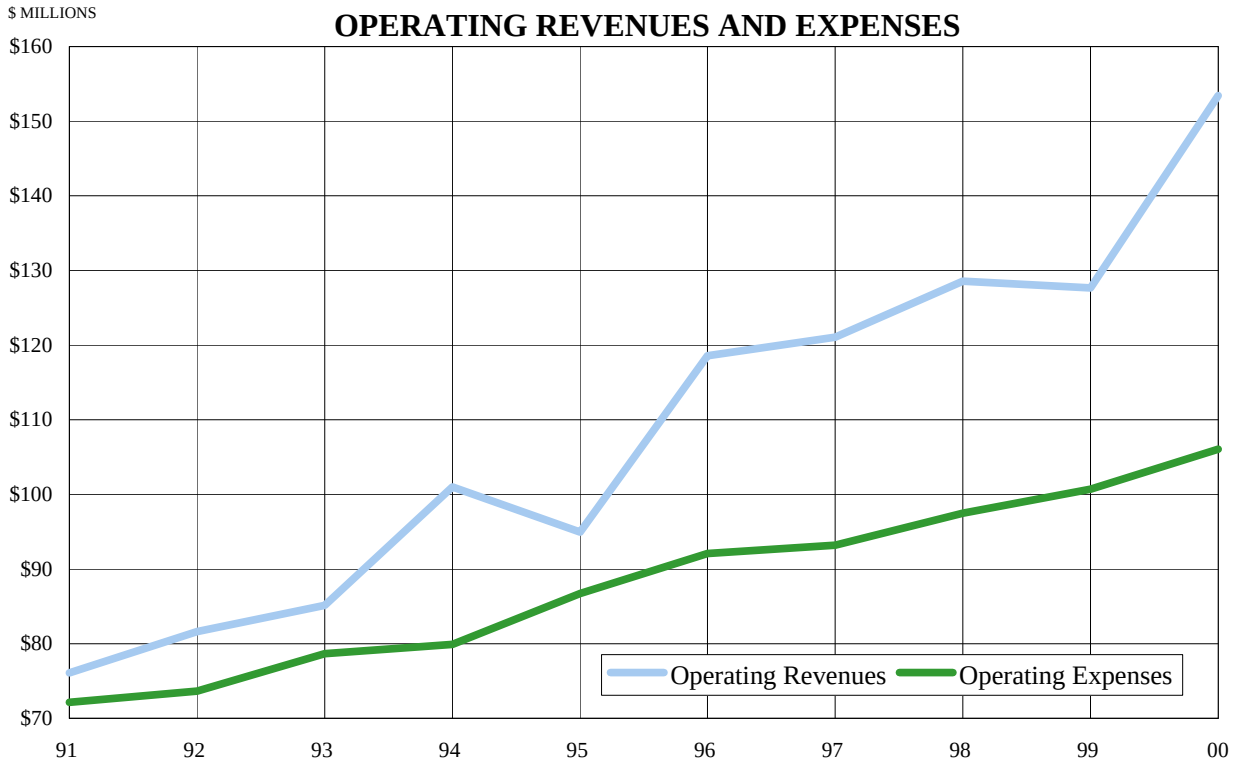
[5]See "Detail of Revenues and Expenses."

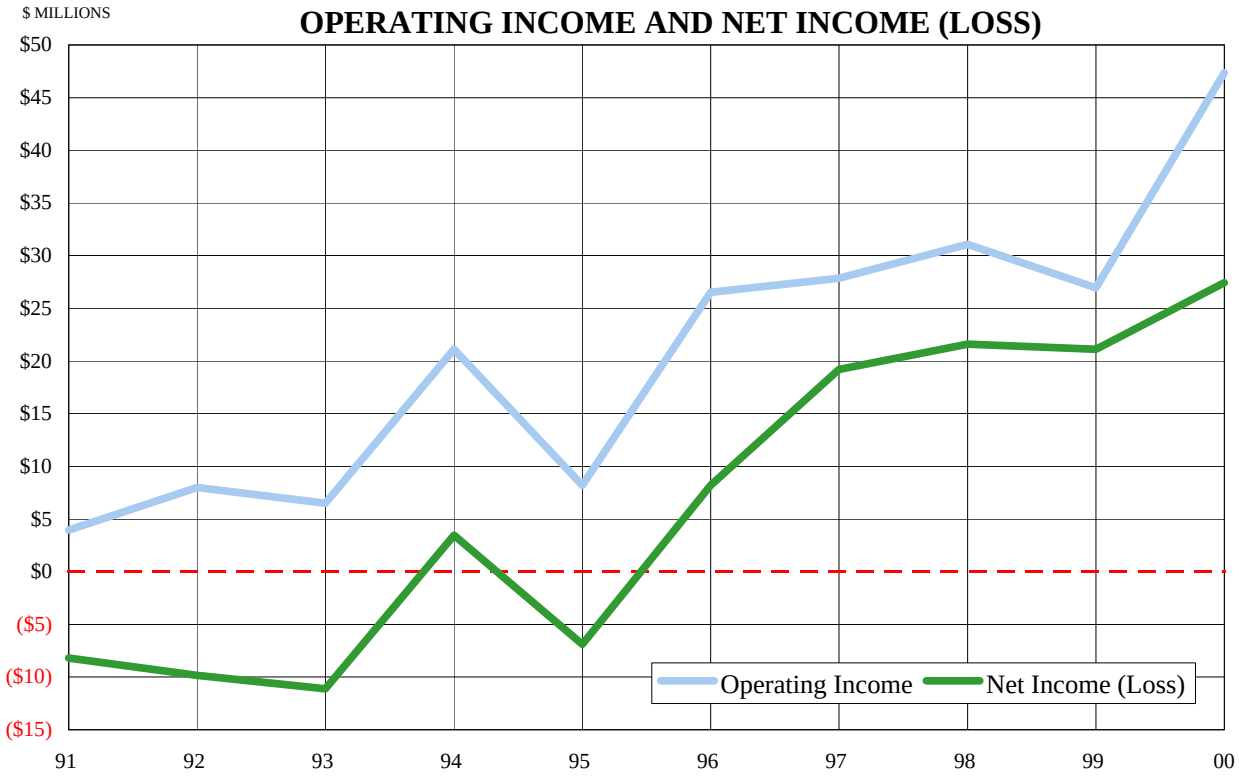
[6]Includes current and long-term portions of bonds payable, certificates of participation, and obligations under capital lease, net of discounts, premiums and deferred losses on advance refundings.

DETAIL OF REVENUES AND EXPENSES: 1991 - 2000
(amounts expressed in thousands)

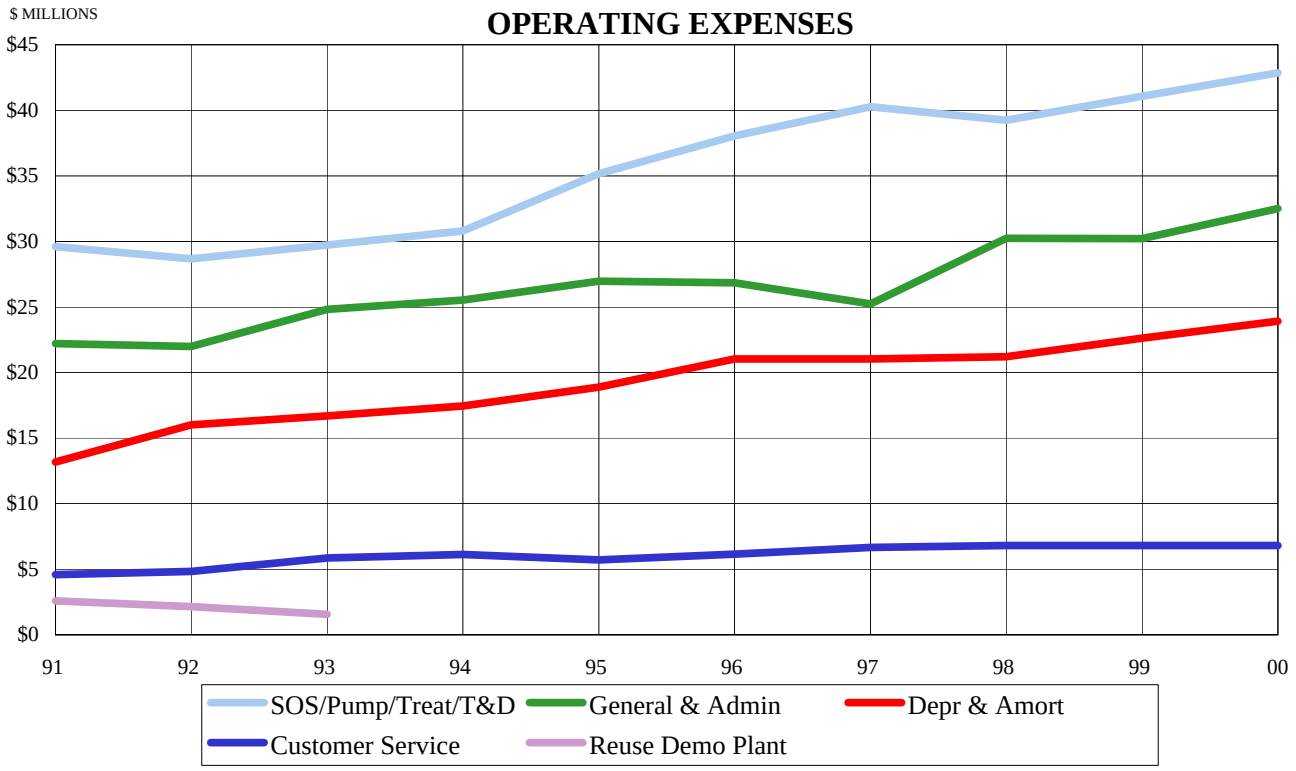
	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
OPERATING REVENUES:										
Water	**$148,919**	$123,608	$124,810	$ 116,884	$ 114,635	$ 91,051	$ 97,920	$ 82,300	$ 78,966	$ 73,752
Power generation and other	**4,510**	4,047	3,760	4,190	3,945	3,901	3,072	2,843	2,671	2,355
Total operating revenues	**153,429**	127,655	128,570	121,074	118,580	94,952	100,992	85,143	81,637	76,107
OPERATING EXPENSES:										
Water service-										
Source of supply, pumping, treatment and distribution	**42,857**	41,060	39,233	40,266	38,046	35,173	30,795	29,716	28,677	29,605
General and administrative	**32,499**	30,215	30,243	25,236	26,836	26,958	25,522	24,810	21,988	22,212
Depreciation and amortization	**23,912**	22,627	21,211	21,047	21,047	18,890	17,447	16,704	16,013	13,178
Customer service	**6,798**	6,817	6,802	6,653	6,143	5,721	6,124	5,867	4,836	4,576
Total water service	**106,066**	100,719	97,489	93,202	92,072	86,742	79,888	77,097	71,514	69,571
Reuse demonstration plant-										
Operations and maintenance	-	-	-	-	-	-	-	60	463	892
Depreciation and amortization	-	-	-	-	-	-	-	1,494	1,678	1,693
Total reuse demonstration plant	-	-	-	-	-	-	-	1,554	2,141	2,585
Total operating expenses	**106,066**	100,719	97,489	93,202	92,072	86,742	79,888	78,651	73,655	72,156
OPERATING INCOME	**47,363**	26,936	31,081	27,872	26,508	8,210	21,104	6,492	7,982	3,951
NONOPERATING REVENUES (EXPENSES):										
Investment income	**9,838**	7,417	7,859	5,958	4,417	4,498	2,972	2,517	4,989	7,580
Interest expense, less capitalized interest	**(16,249)**	(16,800)	(18,241)	(19,350)	(19,979)	(20,383)	(19,633)	(21,918)	(21,487)	(18,460)
Gain (loss) on disposition of property, plant and equipment	**(14,511)**	3,479	13	4,158	(2,968)	(44)	(668)	1,283	(1,204)	(804)
Other income (expense), net	**995**	85	899	560	215	836	(314)	511	(113)	(469)
Net nonoperating expenses	**(19,927)**	(5,819)	(9,470)	(8,674)	(18,315)	(15,093)	(17,643)	(17,607)	(17,815)	(12,153)
NET INCOME (LOSS)	**$ 27,436**	$ 21,117	$ 21,611	$ 19,198	$ 8,193	$ (6,883)	$ 3,461	$ (11,115)	$ (9,833)	$ (8,202)

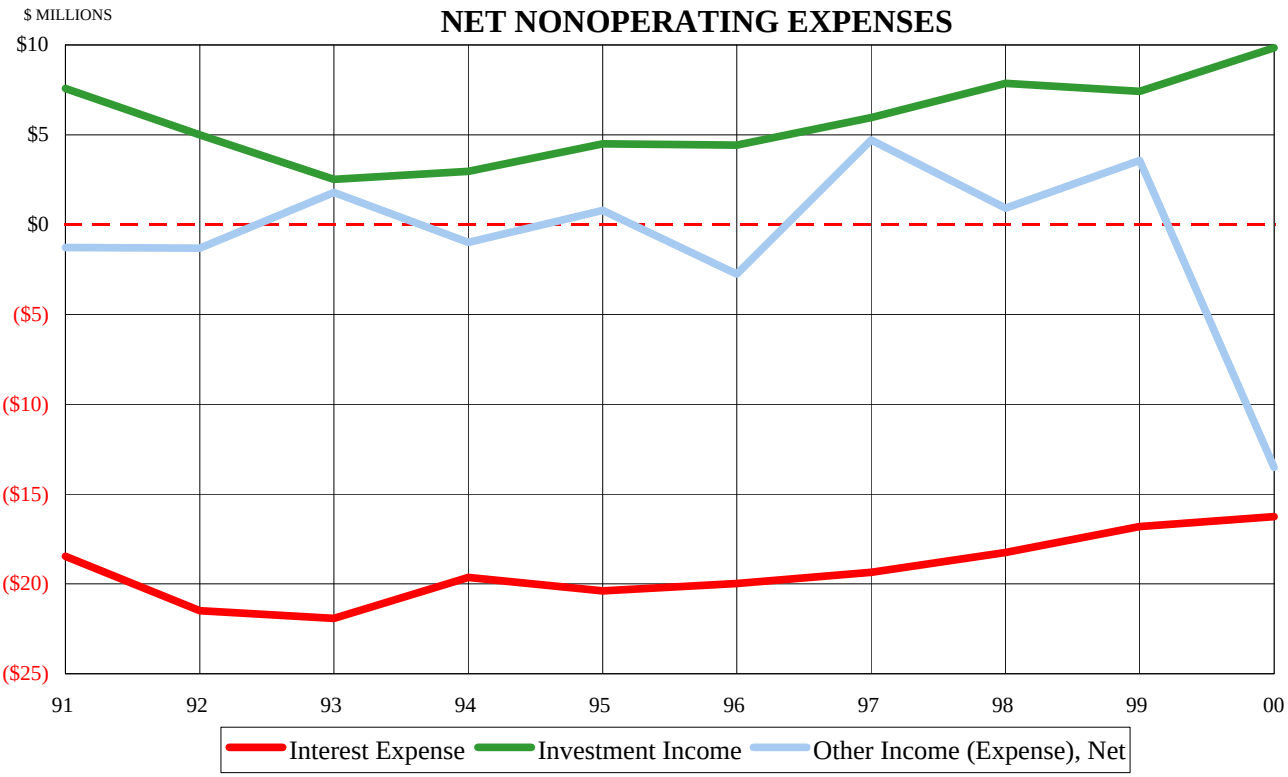
REVENUES AND EXPENSES - 10 YEAR GRAPHS: 1991 - 2000





DETAIL OF EXPENSES - 10 YEAR GRAPHS: 1991 - 2000



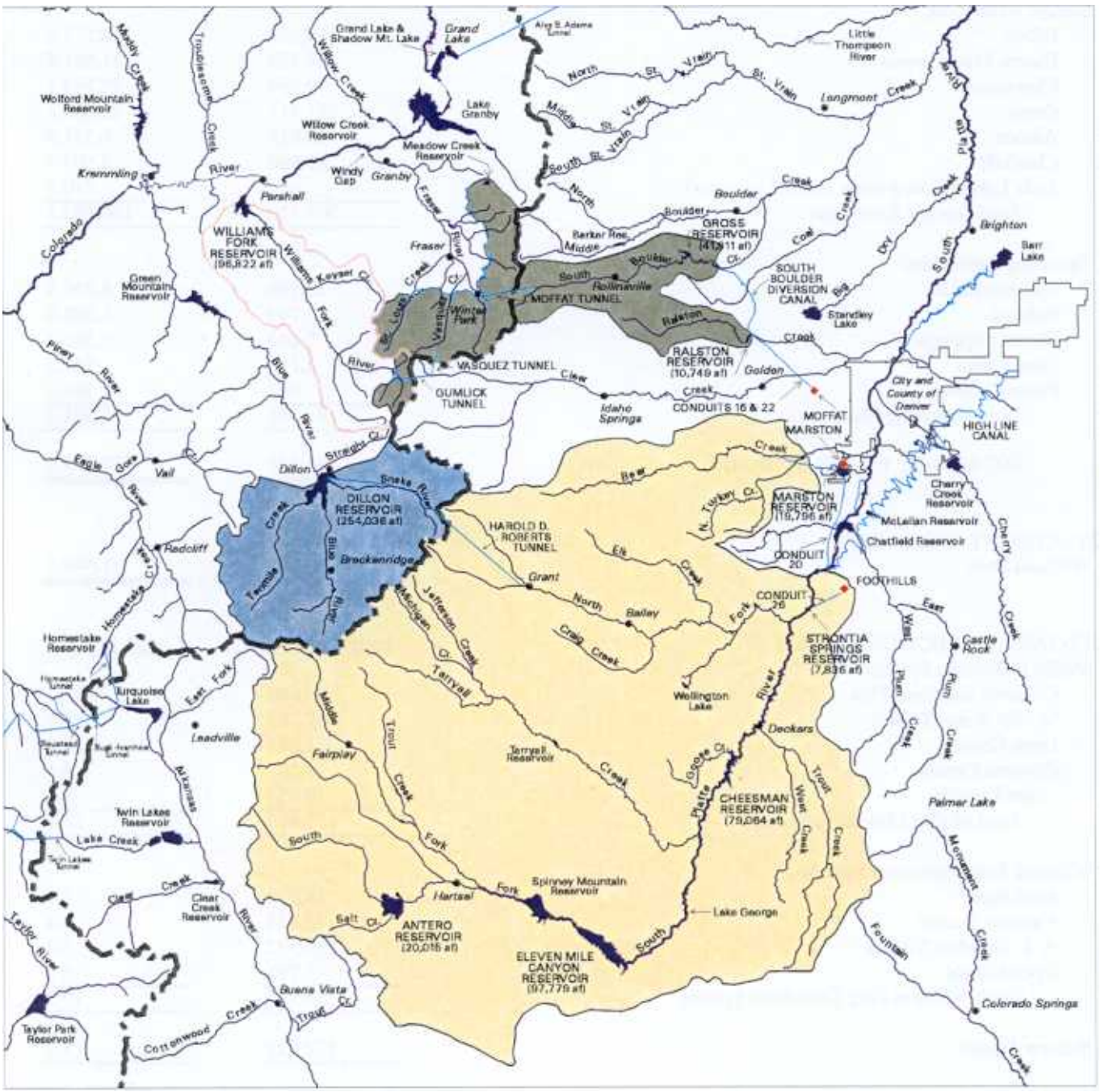


Supply

2000 Facts

Raw water collected	296,473	A.F.
Percent of average yield	99%	
Percent from South Platte System	45%	
Percent from Moffat System	20%	
Percent from Roberts Tunnel System	35%	
Reservoir storage, January 1	494,787	A.F.
Percent of capacity	91%	
Reservoir storage, December 31	461,966	A.F.
Percent of capacity	85%	
Power generation	72,579,208	KWH
Value of power generation	$2,452,604	

City and County of Denver
Board of Water Commissioners
Water Collection System



LEGEND

- South Platte Collection System
- Roberts Tunnel Collection System
- Moffat Collection System
- Williams Fork Reservoir Watershed
- Denver Water Treatment Plant
- Continental Divide
- Major Stream or River
- Major Canal or Tunnel
- Major Lake or Reservoir
- Town

N

S

Scale 1:1,000,000

0 5 10 20 40

Miles

SOURCE OF SUPPLY - 2000

Reservoirs and Collection Systems

RAW WATER STORAGE	Capacity in Acre-Feet	Capacity in Million Gals.
Storage Reservoirs:		
Dillon	254,036	82,777.9
Eleven Mile Canyon	97,779	31,861.4
Cheesman	79,064	25,763.1
Gross	41,811	13,624.1
Antero	20,015	6,521.9
Chatfield	11,060	3,603.9
Soda Lakes (Board owns 35.16% of water)	645	210.2
Total Storage Reservoirs	504,410	164,362.5
Operating Reservoirs:		
Marston Lake	19,796	6,450.5
Ralston	10,749	3,502.6
Strontia Springs	7,864	2,562.5
Long Lakes	1,716	559.2
Platte Canyon	941	306.6
Total Operating Reservoirs	41,066	13,381.4
TOTAL RAW WATER STORAGE	545,476	177,743.9
REPLACEMENT RESERVOIR		
Williams Fork	96,822	31,549.5
MOUNTAIN COLLECTION SYSTEM	Length in Feet	Length in Miles
Moffat Collection System:		
Concrete and Steel Pipe	90,649	17.2
Moffat Water Tunnel	32,383	6.1
Open Canals	21,223	4.0
Covered Canals	23,207	4.4
Other Tunnels	10,953	2.1
Total Moffat Collection System	178,415	33.8
Williams Fork Collection System:		
Steel Pipe	18,939	3.6
Vasquez Tunnel	17,874	3.4
A. P. Gumlick Tunnel	15,572	3.0
Open Canals	1,795	0.3
Total Williams Fork Collection System	54,180	10.3
Roberts Tunnel	122,953	23.3
South Boulder Diversion Conduit:		
Open Canals	33,250	6.3
Concrete and Steel Pipe	10,948	2.1
Tunnels	7,704	1.5
Covered Canals	1,748	0.3
Total South Boulder Diversion Conduit	53,650	10.2
TOTAL MOUNTAIN COLLECTION SYSTEM	409,198	77.6

SOURCE OF SUPPLY - 2000 (Continued)

Supply Mains and Wells

RAW WATER SUPPLY MAINS

	Size	Kind of Pipe	Capacity in MGD	Length in Feet	Length in Miles
Conduit 14:	48"	Concrete	32.0	3,324	0.6
Conduit 15:	60"	Concrete		8,040	1.5
	60"	Steel		11,158	2.1
	72"	Concrete		6,057	1.2
	72"	Steel		6,185	1.2
Total Conduit 15			100.0	31,440	6.0
Conduit 16:	42"	Concrete		44,707	8.4
	42"	Steel		579	0.1
	48"	Concrete		346	0.1
Total Conduit 16			62.0	45,632	8.6
Conduit 20:	60"	Steel		1,038	0.2
	84"	Steel		563	0.1
	90"	Concrete		59,899	11.3
	96"	Concrete-Lined Tunnel		3,012	0.6
	108"	Steel		8,000	1.5
Total Conduit 20			222.0	72,512	13.7
Conduit 22:	30"	Concrete		47	- [1]
	48"	Concrete		11	- [1]
	54"	Concrete		44,334	8.4
	54"	Steel		510	0.1
Total Conduit 22			137.0	44,902	8.5
Conduit 26:					
	126"	Steel		1,746	0.3
	126"	Concrete		147	- [1]
	126"	Concrete-Lined Tunnel		16,089	3.0
Total Conduit 26			750.0	17,982	3.3
TOTAL RAW WATER SUPPLY MAINS				215,792	40.7

[1]Less than 0.1 mile.

INFILTRATION GALLERIES & WELLS

	Capacity in MGD
Cherry Creek Wells:	
Well O	1.2
Farnell Lane Well Field	- [1]

[1]Alternative uses for supplies from the Farnell Lane Well Field are presently under study.

POWER GENERATION, PURCHASE, DISTRIBUTION, AND BANKING

POWER GENERATION AND PURCHASE	Kilowatt Hours	Value
Net Power Generation:[1]		
Dillon	12,756,101	$ 461,290
Foothills	12,841,647	443,194
Hillcrest	10,496,561	308,327
Roberts Tunnel	18,239,368	609,513
Strontia Springs	6,776,389	268,158
Williams Fork	11,469,142	362,122
Total Power Generation	72,579,208	2,452,604
Power Purchased for Department of Energy (DOE) power interference	7,060,000	163,093
TOTAL POWER GENERATION AND PURCHASE	79,639,208	2,615,697
POWER DISTRIBUTION		
Power Consumption:[1]		
Foothills	7,150,621	299,113
Hillcrest	2,389,620	112,084
Total Power Consumption	9,540,241	411,197
Power Sales:		
To Public Service:		
Dillon	12,756,101	461,290
Foothills	5,691,026	144,081
Hillcrest	8,106,941	196,243
Roberts Tunnel	18,239,368	609,513
Strontia Springs	6,776,389	268,158
	51,569,825	1,679,284
To Tri-State:		
Williams Fork	11,469,142	362,122
Total Power Sales	63,038,967	2,041,407
Power Deliveries to DOE for Power Interference:		
Williams Fork	-	-
Purchased Power	7,060,000	163,093
Total Power Deliveries to DOE	7,060,000	163,093
TOTAL POWER DISTRIBUTION	79,639,208	2,615,697
DOE BANKED POWER INTERFERENCE ACCOUNT[2]		
Balance, Beginning of Year	141,469,000	4,244,070
Power Deliveries to DOE	7,060,000	211,800
Net Interference	(18,983,000)	(569,490)
Balance, End of Year	129,546,000	$ 3,886,380

[1]Net Power Generation is total generation less station service (except Foothills and Hillcrest) and transmission wheeling losses. Value of Williams Fork power and that consumed by Foothills and Hillcrest based on PSC tariff schedule TT, June 4, 1988.

[2]Value based on 30 mills/kwh (approximate average of PSC and DOE rates).

POWER VALUE, COST, AND RETURN ON INVESTMENT

	Power Plant						
	Dillon	Foothills	Hillcrest	Roberts Tunnel	Strontia Springs	Williams Fork	Total
Date of Commercial Operation:	Oct 1, 1987	May 25, 1985	Jun 30, 1993	Jan 30, 1988	Aug 11, 1986	July 25, 1959	
VALUE OF POWER GENERATION							
Public Service Company Sales	$ 461,290	$ 144,081	$ 196,243	$ 609,513	$ 268,158	$ -	$ 1,679,284
Foothills Consumption	-	299,113	-	-	-	-	299,113
Hillcrest Consumption	-	-	112,084	-	-	-	112,084
Delivered to Tri-State	-	-	-	-	-	362,122	362,122
TOTAL VALUE	461,290	443,194	308,327	609,513	268,158	362,122	2,452,604
COST OF POWER GENERATION							
Transmission Wheeling	-	4,968	-	3,851	-	-	8,819
Operation and Maintenance	92,941	84,389	90,928	61,496	71,089	61,103	461,946
Administrative Expense	23,177	30,366	18,494	14,735	17,080	16,996	120,848
Depreciation	80,194	53,169	136,030	126,819	43,289	10,545	450,046
TOTAL COST	196,312	172,892	245,452	206,901	131,458	88,644	1,041,659
Net Return (Loss)	$ 264,978	$ 270,302	$ 62,875	$ 402,612	$ 136,700	$ 273,478	$ 1,410,946
Plant Investment (Before Depreciati	$ 4,375,508	$ 2,687,611	$ 6,262,033	$ 5,883,074	$ 1,704,126	$ 1,155,166	$ 22,067,518
Return on Investment	6%	10%	1%	7%	8%	24%	6%

WATER SUPPLY, USE, AND STORAGE: 1991 - 2000

Values in acre-feet

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
SUPPLY										
South Platte System:										
South Platte Direct Rights	**78,106**	138,421	118,924	119,689	75,280	109,674	61,177	61,014	76,334	72,035
South Platte Storage Rights	**38,406**	66,492	60,580	68,492	36,266	55,634	42,940	36,430	39,706	37,374
Bear Creek	**908**	-	-	47	14	154	569	214	111	656
Total South Platte System	**117,420**	204,913	179,504	188,228	111,560	165,462	104,686	97,658	116,151	110,065
Blue River/Roberts Tunnel System	**102,750**	54,064	48,384	92,174	89,268	98,176	90,479	135,770	89,573	83,681
Effluent Exchange[1]	**16,492**	5,864	11,444	6,250	19,682	12,824	29,430	20,256	15,190	16,438
Moffat System:										
Fraser Collection System	**49,355**	35,018	30,166	44,932	47,838	18,174	37,204	32,408	44,148	56,448
Williams Fork Collection System	**3,612**	278	2,534	2,692	1,508	26	-	460	-	2,974
Cabin-Meadow Creek System	**6,406**	570	3,680	2,820	3,068	5,252	7,104	3,652	4,800	2,372
South Boulder Creek	**0**	16,140	12,144	22,142	7,892	33,421	102	620	2	4,094
Ralston Creek	**438**	5,266	5,696	5,044	214	12,398	1,372	1,328	1,034	1,670
Total Moffat System	**59,811**	57,272	54,220	77,630	60,520	69,271	45,782	38,468	49,984	67,558
Total Water Supply	**296,473**	322,113	293,552	364,282	281,030	345,733	270,377	292,152	270,898	277,742
USE										
Foothills Filters	**165,454**	174,596	181,238	162,841	152,057	153,757	145,954	169,908	162,224	133,946
Marston Filters	**47,463**	26,667	15,574	26,874	20,750	16,877	43,216	39,215	38,175	29,728
Moffat Filters	**43,031**	29,915	40,949	41,491	57,206	29,634	45,758	13,612	23,646	43,168
Total Water Filtered	**255,948**	231,178	237,762	231,206	230,013	200,268	234,928	222,735	224,045	206,842
Change in Clear Water Storage	**382**	(291)	(17)	(2)	119	32	(107)	(47)	119	113
Total Treated Water Delivered[2]	**256,330**	230,887	237,745	231,204	230,132	200,300	234,821	222,688	224,164	206,955
Raw Water Deliveries	**38,478**	26,248	27,063	30,248	30,910	26,012	34,474	40,743	22,768	28,096
Operating Losses[3]	**23,268**	22,646	11,176	57,275	20,252	64,626	21,222	19,995	24,621	21,307
Evaporation Losses	**8,995**	1,711	6,879	1,878	6,154	2,207	10,961	8,236	9,952	9,075
Total Water Use	**327,071**	281,492	282,863	320,605	287,448	293,145	301,478	291,662	281,505	265,433
STORAGE										
Total Reservoir Storage, December 31	**461,966**	494,787	479,013	494,510	450,837	504,591	448,117	479,218	478,728	489,335
Total Reservoir Storage, January 1	**494,787**	479,013	494,510	450,837	504,591	448,117	479,218	478,728	489,335	477,026
Storage Gain or (Loss)	**(32,821)**	15,774	(15,497)	43,673	(53,754)	56,474	(31,101)	490	(10,607)	12,309

[1]Initiated exchange programs for Blue River effluent on September 10, 1976.

[2]Total Treated Water Delivered is determined by adding or subtracting Change in Clear Water Storage from Total Water Filtered.

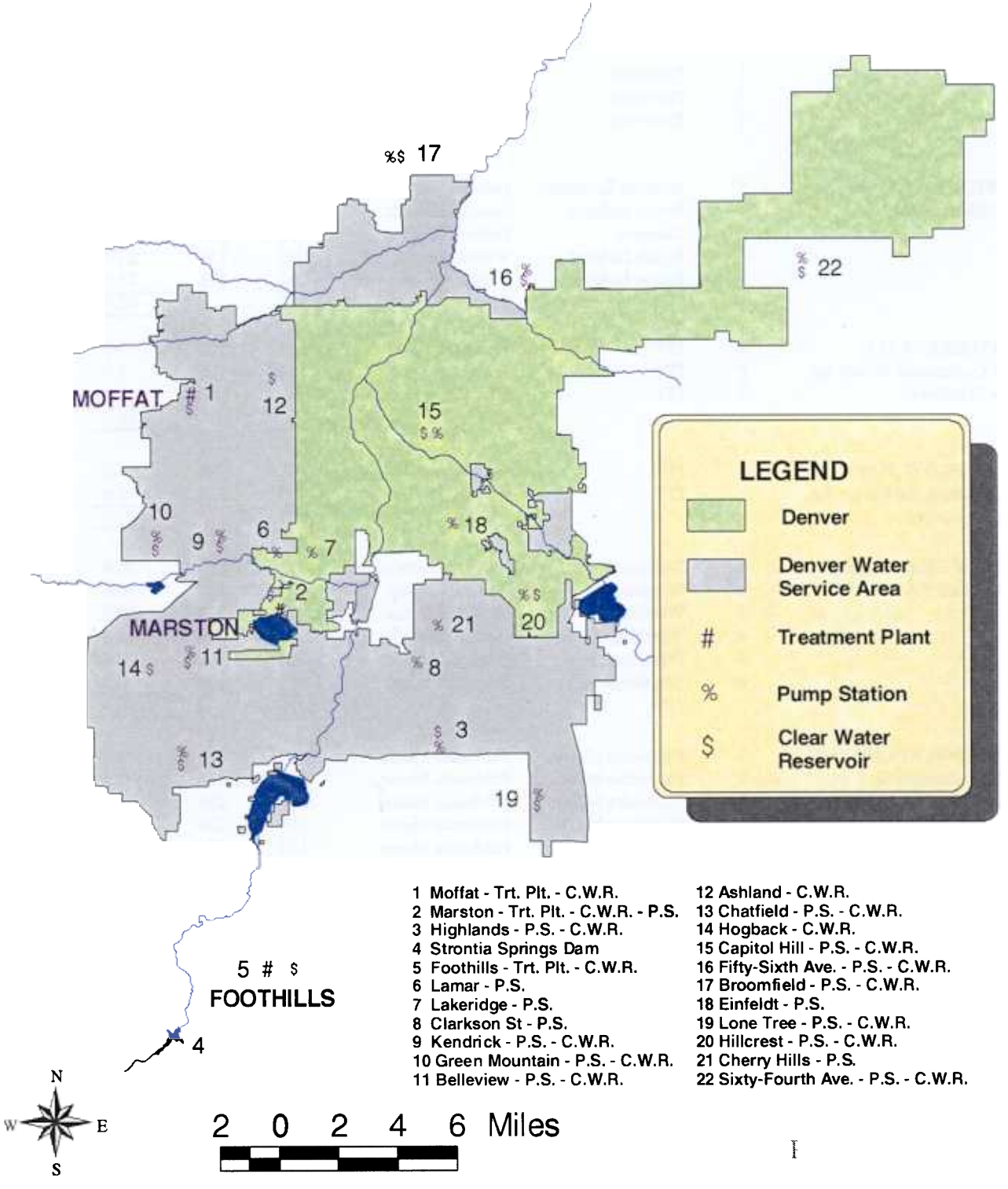
[3]Operating losses are computed. They include river carrying charges and losses between supply and distribution system measuring points, but do not include spills or by-passes attributable to the capacity limitations of facilities

Pumping

2000 Facts

Water pumped - Current year	47,953.92	MG
Water pumped - Last year	38,149.92	MG
Percentage increase from last year	26%	
Number of pump stations	17	
Maximum pumping capacity	1,052.5	MGD
Pumping energy costs - Current year	$2,001,013	
Pumping energy costs - Last year	$1,747,752	
Percentage increase from last year	14%	

DENVER WATER PUMP STATIONS



1 Moffat - Trt. Plt. - C.W.R.
2 Marston - Trt. Plt. - C.W.R. - P.S.
3 Highlands - P.S. - C.W.R.
4 Strontia Springs Dam
5 Foothills - Trt. Plt. - C.W.R.
6 Lamar - P.S.
7 Lakeridge - P.S.
8 Clarkson St - P.S.
9 Kendrick - P.S. - C.W.R.
10 Green Mountain - P.S. - C.W.R.
11 Belleview - P.S. - C.W.R.
12 Ashland - C.W.R.
13 Chatfield - P.S. - C.W.R.
14 Hogback - C.W.R.
15 Capitol Hill - P.S. - C.W.R.
16 Fifty-Sixth Ave. - P.S. - C.W.R.
17 Broomfield - P.S. - C.W.R.
18 Einfeldt - P.S.
19 Lone Tree - P.S. - C.W.R.
20 Hillcrest - P.S. - C.W.R.
21 Cherry Hills - P.S.
22 Sixty-Fourth Ave. - P.S. - C.W.R.

PUMPING STATION CAPACITIES - 2000

Center of pump U.S.G.S. elevation in parentheses

Pump Station/Elevation	Pump Number	Make of Pump	Make of Motor	Horse-power	Head in Feet	Capacity in MGD	Method of Operation[1]
BELLEVIEW (5,714)	4	Patterson	Ideal Electric	900	260	15.0	M R
11200W. Belleview Ave.	5	Worthington	Westinghouse	300	260	5.0	M R
	6	Worthington	General Electric	600	260	10.0	M R
	7	Worthington	General Electric	900	260	15.0	M R
				2,700		45.0	
BROOMFIELD (5,316)	1	Patterson	Ideal Electric	400	350	5.0	M R
9265 Washington St.	2	Patterson	Ideal Electric	400	350	5.0	M R
	3	Patterson	Ideal Electric	400	350	5.0	M R
				1,200		15.0	
CAPITOL HILL (5,387)	3	Wheeler Economy	General Electric	800	175	20.0	M R
1000 Elizabeth St.	4	Byron Jackson	General Electric	400	175	12.0	M R
	5	Cameron	General Electric	700	164	20.0	M R
	6	Byron Jackson	Westinghouse	600	175	17.0	M R
	7	Byron Jackson	Westinghouse	800	175	23.0	M R
				3,300		92.0	
CHATFIELD (5,717)	1	ITT	US Motor	200	150	5.0	M R
8371 Continental Divide Rd.	2	ITT	US Motor	200	150	5.0	M R
(Low Pressure)	3	ITT	US Motor	200	150	5.0	M R
				600		15.0	
CHATFIELD (5,717)	5	ITT	US Motor	400	320	5.0	M R
8371 Continental Divide Rd.	6	ITT	US Motor	400	320	5.0	M R
(High Pressure)				800		10.0	
CHERRY HILLS (5,380)	1	Worthington	General Electric	1,000	220	20.0	M R
1590 Radcliff Ave.	2	Worthington	General Electric	1,000	220	20.0	M R
	3	Worthington	General Electric	1,000	220	20.0	M R
	4	Worthington	General Electric	1,000	220	20.0	M R
	5	Worthington	General Electric	1,000	220	20.0	M R
	6	Worthington	General Electric	1,000	220	20.0	M R
				6,000		120.0	
CLARKSON STREET (5,482)[2]	1	Fairbanks Morse	Fairbanks Morse	150	234	2.1	M R
5300 S. Clarkson St.	2	Fairbanks Morse	Fairbanks Morse	150	234	2.1	M R
	3	Fairbanks Morse	Fairbanks Morse	150	234	2.1	M R
	4	Fairbanks Morse	Fairbanks Morse	150	234	2.1	M R
	5	Fairbanks Morse	Fairbanks Morse	150	234	2.1	M R
	6	Fairbanks Morse	Fairbanks Morse	150	234	2.1	M R
				900		12.6	
EINFELDT (5,341)	2	Wheeler Economy	General Electric	800	175	20.0	M R
1900 S. University Blvd.	3	Byron Jackson	General Electric	600	175	17.0	M R
	4	Byron Jackson	General Electric	400	175	12.0	M R
	5	Byron Jackson	Westinghouse	200	175	5.3	M R
	6	Worthington	Electric Machinery	800	175	20.0	M R
	7	Wheeler Economy	General Electric	800	175	20.0	M R
				3,600		94.3	

[1] M=Manual, R=Remote

[2] Vault Type Structure (underground)

(Continued next page)

PUMPING STATION CAPACITIES - 2000 (Continued)

Center of pump U.S.G.S. elevation in parentheses

Pump Station/Elevation	Pump Number	Make of Pump	Make of Motor	Horse-power	Head in Feet	Capacity in MGD	Method of Operation[1]
FIFTY-SIXTH AVENUE (5,	2	Allis Chalmers	Ideal Electric	1,750	450	15.0	M R
7355 56th Ave.	3	Allis Chalmers	Ideal Electric	1,750	450	15.0	M R
	4	Allis Chalmers	Ideal Electric	1,750	450	15.0	M R
	5	Allis Chalmers	Ideal Electric	1,750	450	15.0	M R
	8	Gould	U.S. Motor	500	75	30.0	M R
	9	Gould	U.S. Motor	500	75	30.0	M R
				8,000		120.0	
GREEN MOUNTAIN (5,83'	1	Patterson	General Electric	700	260	10.0	M R
12400 W. Jewell Ave.	2	Patterson	General Electric	350	260	5.0	M R
	3	Patterson	General Electric	350	260	5.0	M R
	4	Patterson	General Electric	700	260	10.0	M R
				2,100		30.0	
HIGHLANDS (5,704)	1	Fairbanks Morse	General Electric	125	165	3.0	M R
(Low Pressure)	2	Fairbanks Morse	General Electric	125	165	3.0	M R
8100 S. University Blvd.	3	Fairbanks Morse	General Electric	125	165	3.0	M R
	4	Fairbanks Morse	General Electric	125	165	3.0	M R
	5	DeLaval	Ideal Electric	350	165	10.0	M R
	6	DeLaval	Ideal Electric	350	165	10.0	M R
	7	DeLaval	Ideal Electric	350	165	10.0	M R
				1,550		42.0	
HIGHLANDS (5,704)	1	Gould	General Electric	900	260	15.0	M R
(High Pressure)	4	Gould	General Electric	900	260	15.0	M R
8100 S. University Blvd.	6	Gould	General Electric	300	110	10.0	M R
	7	Gould	General Electric	300	110	10.0	M R
	8	Gould	General Electric	150	110	5.0	M R
	9	Gould	General Electric	150	110	5.0	M R
				2,700		60.0	
HILLCREST (5,602)	1	Allis Chalmers	Allis Chalmers	50	169	1.0	M R
(Low Pressure)	2	Allis Chalmers	Allis Chalmers	100	167	2.0	M R
4200 S. Happy Canyon Rd.	3	DeLaval	Electric Machinery	200	163	5.0	M R
	4	DeLaval	Electric Machinery	400	163	11.0	M R
	5	DeLaval	Electric Machinery	400	163	11.0	M R
	6	Worthington	Fairbanks Morse	400	163	11.0	M R
	7	Worthington	Fairbanks Morse	400	163	11.0	M R
				1,950		52.0	
HILLCREST (5,602)	8	American Marsh	Westinghouse	75	320	0.8	M R
(High Pressure)	9	DeLaval	Electric Machinery	200	318	2.5	M R
4200 S. Happy Canyon Rd.	10	DeLaval	Electric Machinery	350	313	4.8	M R
	11	DeLaval	Electric Machinery	800	315	10.5	M R
	12	DeLaval	Electric Machinery	800	315	10.5	M R
	13	Patterson	Ideal Electric	900	320	10.0	M R
				3,125		39.1	
KENDRICK (5,607)	1	Patterson	Ideal Electric	300	120	10.0	M R
(Low Pressure)	2	DeLaval	General Electric	300	117	10.0	M R
9380 W. Jewell Ave.	3	Worthington	General Electric	75	119	2.9	M R
	4	Worthington	General Electric	75	119	2.9	M R
	5	Worthington	General Electric	75	119	2.9	M R
				825		28.7	

[1]M=Manual, R=Remote

(Continued next page)

PUMPING STATION CAPACITIES - 2000 (Continued)

Center of pump U.S.G.S. elevation in parentheses

Pump Station/Elevation	Pump Number	Make of Pump	Make of Motor	Horse-power	Head in Feet	Capacity in MGD	Method of Operation[1]
KENDRICK (5,607)	7	Worthington	Electric Machinery	800	260	10.0	M R
(High Pressure)	8	Worthington	Electric Machinery	800	260	10.0	M R
9380 W. Jewell Ave.	9	Patterson	Waukesha[3]	700	260	10.0	M R
	10	DeLaval	Waukesha[3]	400	260	5.0	M
	11	Patterson	Ideal Electric	700	260	10.0	M R
				3,400		45.0	
LAKERIDGE (5,516)	1	American	United States	50	120	1.7	M R
2700 S. Raleigh St.	2	Pacific	Ideal Electric	75	120	2.9	M R
	3	Pacific	Ideal Electric	75	120	2.9	M R
	4	Allis Chalmers	Allis Chalmers	50	120	2.0	M R
				250		9.5	
LAMAR (5,443)[2]	1	Worthington	Marathon Electric	100	120	2.9	M R
6301 W. Yale Ave.	2	Worthington	Marathon Electric	100	120	2.9	M R
	3	Worthington	Fairbanks Morse	75	120	2.0	M R
				275		7.8	
LONE TREE (5,904)	3	Gould	Siemens & Allis	300	127	10.0	M R
(Low Pressure)	4	Gould	Siemens & Allis	150	127	5.0	M R
7700 E. Chapparel Rd.	5	Gould	Siemens & Allis	150	127	5.0	M R
				600		20.0	
LONE TREE (5,904)	6	Gould	Siemens & Allis	300	227	5.0	M R
(High Pressure)	7	Gould	Siemens & Allis	600	227	10.0	M R
7700 E. Chapparel Rd.	8	Gould	Siemens & Allis	600	227	10.0	M R
				1,500		25.0	
MARSTON (5,485)	1	Worthington	Waukesha[3]	700	166	20.0	M R
(Low Pressure)	2	Worthington	General Electric	700	166	20.0	M R
5700 W. Quincy Ave.	3	Worthington	General Electric	700	166	20.0	M R
	4	Worthington	General Electric	700	166	20.0	M R
	5	Worthington	General Electric	700	166	20.0	M R
				3,500		100.0	
MARSTON (5,485)							
(High Pressure)							
5700 W. Quincy Ave.	8	Patterson	Waukesha[3]	400	260	6.5	M R
	9	Ingersoll-Rand	Reliance Electric	500	260	8.0	M R
	10	Patterson	Ideal Electric	900	260	15.0	M R
	11	Patterson	Ideal Electric	900	260	15.0	M R
				2,700		44.5	
SIXTY-FOURTH AVENUE (5,4	3	Fairbanks Morse	United States	100	90	5.0	M R
(Low Pressure)	6	Fairbanks Morse	United States	200	90	10.0	M R
21850 E. 64th Ave.				300		15.0	
SIXTY-FOURTH AVENUE (5,4	1	Fairbanks Morse	United States	400	170	10.0	M R
(High Pressure)							
21850 E. 64th Ave.							
			Grand Total	52,275		1,052.5	

Note: City Datum = 5,172.91

[1] M=Manual, R=Remote

[2] Vault Type Structure (underground)

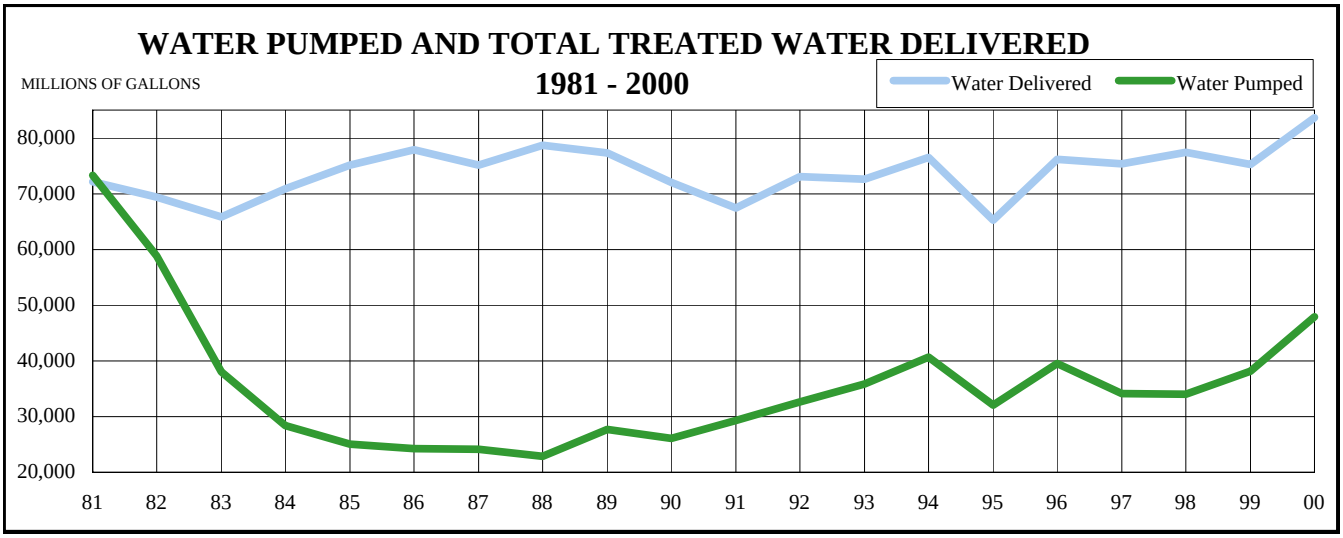
[3] Natural Gas Engine

WATER PUMPED AND POWER COSTS: 1981 - 2000

Year	Water Pumped (million gals.)	Total Treated Water Delivered (million gals.)	Pumps Number	Pumps Capacity (million gals.)	Total Pumping Power Used (kwh)	Gas Used (dth)	Total Power, Electric and Gas Costs[1]
1981	73,261.58	72,135.96	144	1,110.6	67,662,243	-	$3,287,932
1982	58,834.39	69,415.05	139	1,100.1	60,232,436	-	$3,391,148
1983	38,010.33	65,815.78	131	1,109.4	41,763,645	-	$2,204,291
1984	28,378.59	70,930.52	121	1,088.1	36,468,802	-	$2,316,083
1985	25,000.29	75,100.00	128	1,182.2	34,963,885	-	$2,114,549
1986	24,237.58	77,887.63	129	1,203.6	27,464,812	-	$1,895,623
1987	24,158.20	75,162.49	127	1,201.8	28,220,134	-	$1,818,839
1988	22,870.50	78,718.55	118	1,156.8	23,762,950	-	$1,572,461
1989	27,724.95	77,262.29	118	1,156.8	27,181,894	-	$1,859,268
1990	26,089.81	72,043.94	113	1,091.8	27,734,829	-	$1,814,124
1991	29,349.37	67,435.91	113	1,091.8	27,167,261	-	$1,778,200[2]
1992	32,613.51	73,043.27	113	1,091.8	29,349,535	-	$1,782,578[2]
1993	35,826.13	72,562.61	113	1,091.8	31,537,298	-	$1,800,790
1994	40,720.24	76,516.08	116	1,116.8	36,619,984	-	$1,949,520
1995	32,115.03	65,267.91	116	1,116.8	30,722,542	-	$1,783,567
1996	39,578.30	76,203.96	105	1,027.5	40,222,555	-	$2,638,872
1997	34,179.67	75,363.33	105	1,027.5	31,876,334	23,055	$1,997,924
1998	33,990.21	77,466.65	105	1,027.5	30,170,882	38,331	$1,881,873
1999	38,149.92	75,232.01	106	1,052.5	33,378,202	18,927	$1,915,984
2000	47,953.92	83,585.25	106	1,052.5	39,257,987	20,159	$2,166,806

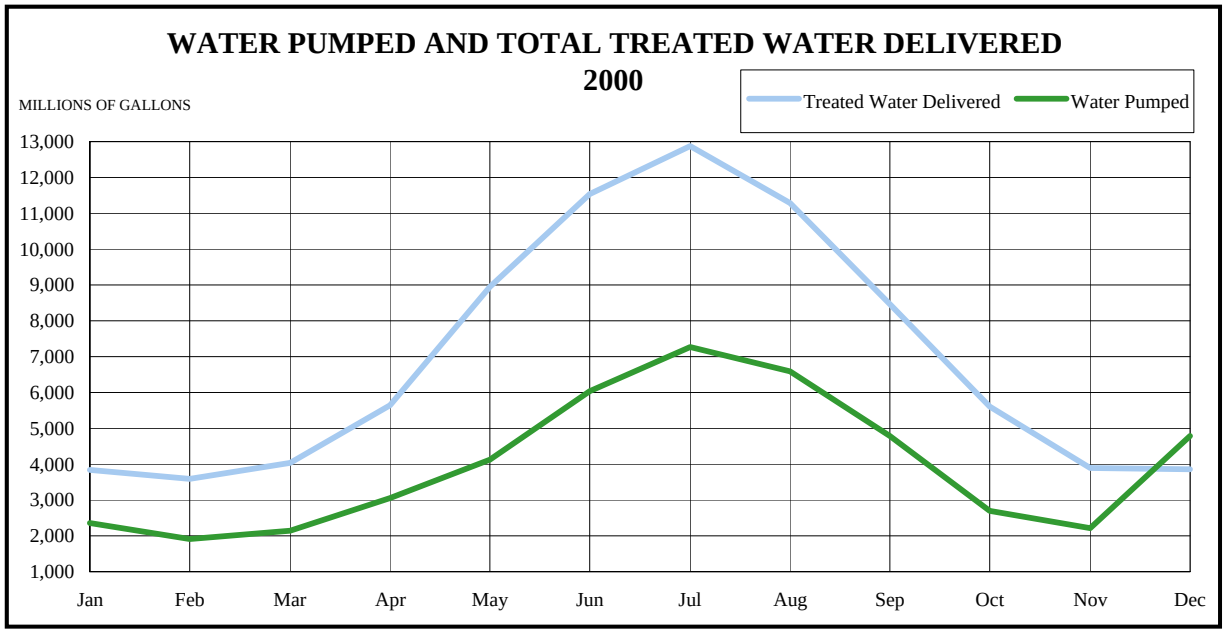
[1]Total energy costs for all Denver metropolitan area Board water distribution facilities.

[2]Foothills Treatment Plant out of service from October 16, 1989 through March 2, 1990.



WATER PUMPED MONTHLY - 2000
(millions of gallons)

	Water Pumped	Total Treated Water Delivered		Water Pumped	Total Treated Water Delivered
January	2,357.23	3,832.25	August	6,587.73	11,287.61
February	1,918.14	3,598.01	September	4,779.22	8,459.05
March	2,151.17	4,033.50	October	2,697.61	5,612.36
April	3,052.64	5,650.11	November	2,209.22	3,884.66
May	4,127.55	8,952.31	December	4,784.68	3,852.11
June	6,027.06	11,540.49			
July	7,261.67	12,882.79	Total Year	47,953.92	83,585.25



WATER PUMPED BY STATION - 2000
(millions of gallons)

Belleview	3,654.06	Hillcrest (High)	847.88
Broomfield	1,257.53	Kendrick (Low)	1,029.52
Capital Hill	108.90	Kendrick (High)	3,345.36
Chatfield (Low)	1,317.44	Lakeridge	1,010.89
Chatfield (High)	881.55	Lamar	383.21
Cherry Hills	2,147.19	Lone Tree	1,817.68
Clarkson Street	1,100.06	Marston (Low)	6,368.23
Einfeldt	705.35	Marston (High)	2,678.42
Fifty-Sixth Avenue	5,680.89	Sixty-Fourth Ave. (High)	215.34
Green Mountain	2,058.89	Sixty-Fourth Ave. (Low)	9.17
Highlands (Low)	3,021.76		
Highlands (High)	7,068.32	Total	47,953.92
Hillcrest (Low)	1,246.28		

DISTRIBUTING RESERVOIRS AND RAW WATER PUMPING STATIONS - 200(

High water U.S.G.S. elevation in parentheses

	Capacity (million gals.)
Alameda & Beech (6,042)[1]	
Number 1	1.0
Number 2	2.0
	3.0
Ashland (5,430)	
East Basin	19.1
West Basin	21.9
	41.0
Belleview (5,743)	10.0
Broomfield (5,335)	
Number 1	2.5
Number 2	2.5
	5.0
Broomfield Tank (5,491)[1]	3.0
Capitol Hill (5,395)	
Number 1	23.4
Number 2	29.8
Number 3	27.0
	80.2
Chatfield Tank (5,740)	
Number 1	5.0
Number 2	5.0
	10.0
Fifty-Sixth Avenue (5,223)	15.0
Foothills (5,860)	
Number 1	25.0
Number 2	25.0
	50.0
Green Mountain (5,859)	5.0
Highlands (5,722)	
Number 1	3.3
Number 2	3.2
Number 3	13.5
	20.0
Hillcrest (5,624)	
Number 1	14.8
Number 2	14.8
	29.6

[1]Not Owned by Denver Water.

	Capacity (million gals.)
Hogback (6,007)	3.95
KenCaryl Ranch (6,410)[1]	
Number 3	2.0
Number 4	2.0
	4.0
Kendrick (5,627)	15.0
Lakehurst Tank (5,708)[1]	4.0
Lone Tree (5,930)	10.0
Marston Treatment (5,497)	
Number 3	6.8
Number 4	9.2
	16.0
Moffat Treatment (5,620)	
Number 1	4.3
Number 2	4.3
Number 3	5.0
Number 4	4.4
	18.0
Sixty-Fourth Avenue (5,460)	15.0
Southgate (6,123)[1]	
Number 1	2.0
Number 2	6.0
	8.0
Utah Tank (6,042)[1]	3.0
Valley Tank (6,000)[1]	2.0
Willows Tank (5,868)[1]	
Number 1	2.8
Number 2	5.2
	8.0
Total Capacity	378.75

RAW WATER PUMPING STATIONS

Pump Station	Pump Number	Make of Pump	Make of Motor	Horse-Power	Head in Feet	Capacity in MGD
Last Chance	1	Worthington	General Electric	30	60	2.2
Metro Sewer	1	Peerless	United States	200	30	30.0
	2	Peerless	General Electric	200	30	30.0
	3	Peerless	General Electric	200	30	30.0
				600		90.0
			Total	630		92.2

Treatment and Water Quality

2000 Facts

Treated water delivered/consumption	83,585.25	MG
Increase from 2000	8,353.24	MG
Average daily consumption	228.38	MG
Maximum daily consumption:		
(July 6)	478.19	MG
Maximum hour treated water use rate:		
(July 6, at 10:00 p.m.)	751.47	MGD
Water Quality:		
Total samples collected	9,391	
Microbiological analyses completed	9,627	
Chemical analyses completed	32,219	

CONSUMPTION OF TREATED WATER: 1981 - 2000

Year	Acre-Feet	(million gallons) Annual	Daily Avg.	Daily Max.	Population July 1[1]	Avg. Daily Gals. Per Capita	Precipitation in Inches[2] Year	4/1 to 9/30
1981[3]	221,378	72,135.96[4]	197.63	438.05[4]	856,000	227[4]	14.63	8.98
1982	213,026	69,415.05[4]	190.18	494.56[4]	856,000	219[4]	17.39	12.47
1983	201,981	65,815.78	180.32	433.29	863,000	209	23.87	15.22
1984	217,679	70,930.52	193.80	485.04	862,000[5]	225	19.65	11.28
1985	233,141	75,100.00	208.13	490.84	870,000	239	16.74	11.77
1986	239,029	77,887.63	213.39	505.80	875,000	244	15.62	9.65
1987	230,666	75,162.49	205.92	518.55	879,000	234	22.37	13.08
1988	241,579	78,718.55	215.67	477.65	879,000	245	15.59	11.71
1989	237,109	77,262.29	211.67	553.29	887,000	239	14.69	10.86
1990	221,095	72,043.94	197.38	507.12	891,000	222	17.14	9.60
1991	206,953	67,435.91	184.76	414.79	908,000	203	18.97	14.02
1992	224,162	73,043.27	199.57	414.11	912,000	219	16.35	8.83
1993	222,686	72,562.61	198.80	438.20	928,000	214	15.22	9.39
1994	234,819	76,516.08	209.63	479.01	947,000	221	12.79	7.80
1995	200,300	65,267.91	178.82	453.55	952,000	188	20.56	17.63
1996	233,861	76,203.96	208.21	456.99	945,000[6]	220	14.78	11.25
1997	231,282	75,363.33	206.47	517.57	957,000	216	19.95	14.44
1998	237,736	77,466.65	212.24	512.53	970,000	219	17.98	13.18
1999	230,879	75,232.01	206.12	475.66	984,000	209	19.76	16.86
2000	256,514	83,585.25	228.38	478.19	1,000,000	228	14.29	10.15

[1]Population estimates are treated water customers only. Revised data from 1981 to 1990 are interpolated from analysis of the 1990 census.

[2]Precipitation readings are the averages of Stapleton, Lakewood, Cherry Creek Dam, and Kassler measurement stations.

[3]Water restrictions in effect from May 1 to September 30, 1981.

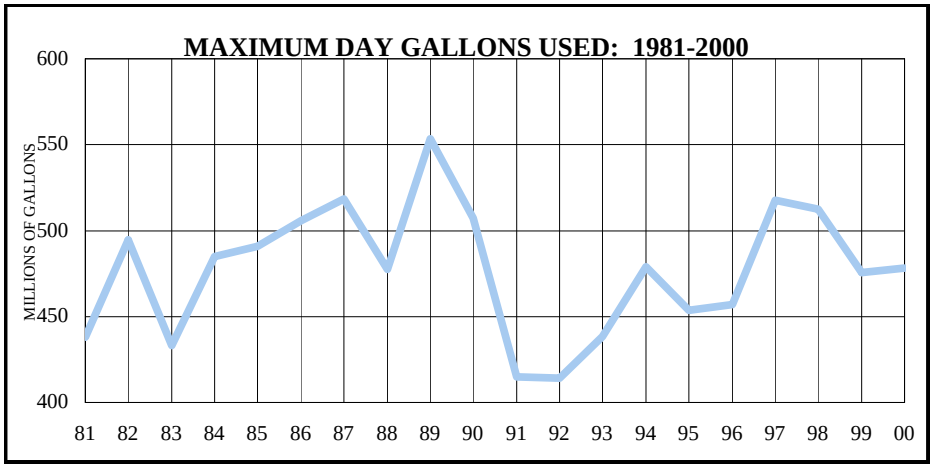
[4]Annual consumption includes 1,084.10 mg sold during 1981, and 1,082.93 mg sold during 1982, when Aurora's raw water conduit was out of service due to Denver's Foothills Project construction. These amounts were subtracted from the listed annual consumptiontotals in computing the average daily gallons per capita figures.

[5]Population decrease due to loss of Sable District from the system.

[6]Population decrease due to excluding the City of Broomfield's population beginning 1996.

TREATMENT PLANT CAPACITY

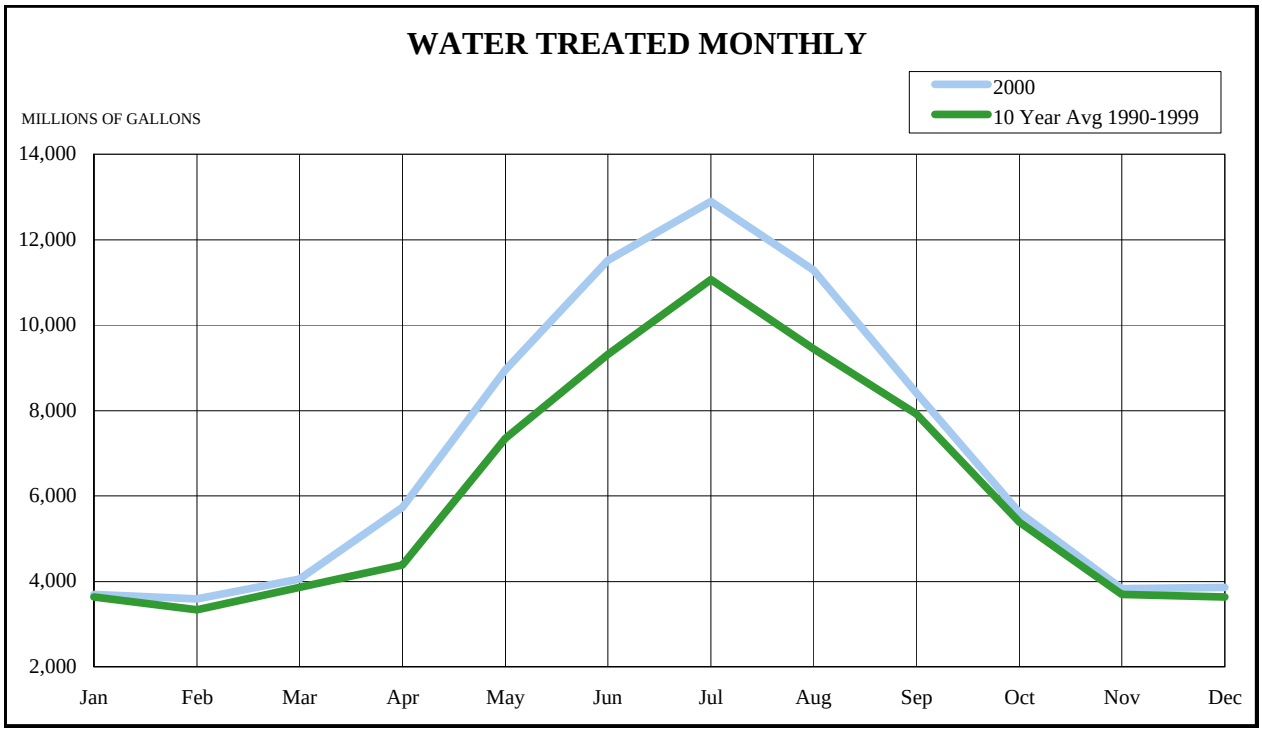
Plant	Type	Capacity in MGD
Foothills	Dual-Media	280.0
Marston	Dual-Media	180.0
Moffat	Rapid Sand	185.0
		645.0



WATER TREATED MONTHLY - 2000
(millions of gallons)

	Foothills Filters	Marston Filters	Moffat Filters	Total
January	3,093.50	593.39	-	3,686.89
February	3,042.69	545.00	-	3,587.69
March	3,470.79	569.75	18.38	4,058.92
April	3,475.50	675.04	1,575.36	5,725.90
May	6,179.45	777.54	1,995.94	8,952.93
June	6,654.23	1,898.92	2,961.91	11,515.06
July	7,095.40	2,161.97	3,633.36	12,890.73
August	7,536.20	2,033.62	1,722.83	11,292.65
September	6,451.91	1,136.24	818.22	8,406.37
October	4,899.80	345.90	370.83	5,616.53
November	2,012.03	879.88	932.62	3,824.53
December	-	2,947.81	910.50	3,858.31
Total	53,911.50	14,565.06	14,939.95	83,416.51

Note: Totals are based on multiple totalizer meter readings at various treatment plant sites. The accuracy of the readings varies within the limits inherent to each water meter.



Total Water Treated for the Year	83,416.51	MG
Change In Clear Water Storage	168.74	MG
Total Treated Water Delivered for the Year	83,585.25	MG

CHEMICAL TREATMENT AND ANALYSIS:
TREATED WATER IN DISTRIBUTION SYSTEM - 2000

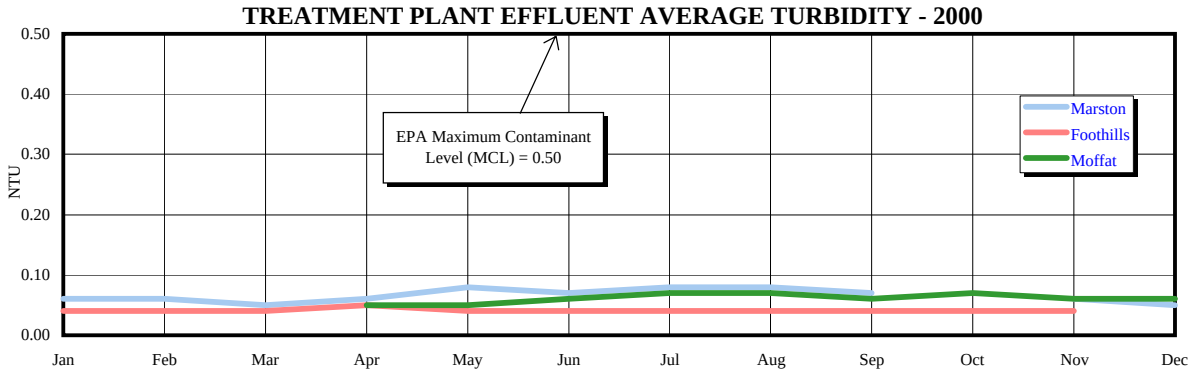
CHEMICAL TREATMENT

	Pounds of Chemicals Used				
	Foothills	Moffat	Marston	Total	Total Cost
Aluminum Sulfate (Liquid Alum	17,685,237	6,528,459	6,520,629	30,734,325	$1,041,894
Ammonium Hydroxide (Aqua Ammonia	627,177	220,102	187,445	1,034,724	75,638
Chlorine, Liquid	1,206,144	275,467	295,156	1,776,767	322,913
Caustic Soda	6,128,423	1,478,610	1,751,621	9,358,654	700,327
Sodium Silicofluoride	205,962	153,438	40,400	399,800	105,757
Polymer (Cationic)	860,570	241,811	354,977	1,457,358	655,811
Polymer (Nonionic)	31,633	28,045	6,539	66,217	91,816
Soda Ash	-	17,279	-	17,279	1,019
Hydrated Lime	-	647,146	-	647,146	41,903
Activated Carbon	-	-	31,064	31,064	24,230
Potassium Permanganate	880	-	38,100	38,980	47,806
Total Cost	26,746,026	9,590,357	9,225,931	45,562,314	$3,109,114

DISTRIBUTION SYSTEM & TREATMENT PLANT EFFLUENT TOTAL COLIFORM RESULTS

Month	Number of Samples	Number of Positives	% Positive
January	500	0	0.00%
February	499	0	0.00%
March	586	0	0.00%
April	525	1	0.19%
May	578	0	0.00%
June	592	1	0.17%
July	554	2	0.36%
August	571	0	0.00%
September	475	0	0.00%
October	575	3	0.52%
November	534	3	0.56%
December	499	2	0.40%
	6,488	12	0.18%

The total coliform group of bacteria is a microbiological indicator used to determine the safety of drinking water for human consumption. The EPA and the Colorado Department of Public Health and Environment require that Denver Water test a minimum of 300 treated water samples each month for total coliforms. The Maximum Contaminant Level (MCL) for total coliform specifies that no more than 5% of the samples taken each month may be positive. All positive samples were further analyzed to determine if *E. coli* bacteria were present, which would indicate possible contamination from a fecal source. There were no positive *E. coli* samples in 2000.



Turbidity is a measure of the clarity of the water. EPA has established 0.50 NTU as the MCL for turbidit

TREATED WATER QUALITY SUMMARY:
TREATMENT PLANT EFFLUENT AVERAGES - 2000

Analysis	Maximum Contaminant Level (MCL)	Marston	Foothills	Moffat
General (mg/L)				
Alkalinity, Total as $CaCO_3$		68	65	22
Chlorine, Total		1.49	1.48	1.58
Hardness as $CaCO_3$		104	101	36
Monochloramine as Cl_2		1.33	1.35	1.44
pH (SU)		7.8	7.8	7.8
Specific Conductance (µS)		318	317	109
Temperature (°C)		12	11	14
Total Dissolved Solids		175	173	66
Turbidity (NTU)	0.50	0.06	0.04	0.06
Metals (mg/L)				
Aluminum, Available		0.04	0.03	<0.02
Aluminum, Total		0.04	0.04	<0.02
Barium, Total	2	0.04	0.04	0.02
Calcium		31.5	31.6	12.0
Copper, Total	TT[1]	<0.005	0.011	0.030
Iron, Total		0.03	0.01	0.04
Magnesium		8.5	8.1	2.1
Manganese, Total		0.013	<0.005	<0.005
Molybdenum, Total		0.012	0.018	0.003
Potassium		1.9	1.9	0.7
Sodium		21.4	19.4	7.1
Strontium		0.21	0.22	<0.04
Ions (mg/L)				
Chloride		24.0	22.2	3.1
Fluoride	4.0	0.90	0.87	0.89
Nitrate-Nitrogen	10	0.02	0.09	0.06
Silicon Dioxide		2.8	6.4	6.7
Sulfate		50.8	52.7	20.9

(Continued next page)

[1] TT indicates that the MCL involves treatment techniques.
[2] DS indicates that the MCL involves calculations based upon the entire distribution system.

TREATED WATER QUALITY SUMMARY:
TREATMENT PLANT EFFLUENT AVERAGES - 2000 (Continued)

Analysis	Maximum Contaminant Level (MCL)	Marston	Foothills	Moffat
Radiological (pCi/L)				
Beta, Total	4 mRem= 50 pCi/L	2	3	<2
Uranium (mg/L)		0.0016	0.0013	0.0008
Microbiological				
m-Heterotrophic Plate Count (CFU/mL)		2.5	0.32	1.3
Disinfection By-Products (µg/L)				
1,1,1-Trichloropropanone		1.0	1.3	1.2
1,1-Dichloropropanone		0.8	0.6	0.5
Bromochloroacetic acid		2.1	2.1	<0.5
Bromochloroacetonitrile		0.6	0.5	<0.2
Bromodichloroacetic acid		2	3	<1
Bromodichloromethane		7.2	8.7	2.2
Chloral hydrate		1.2	2.2	1.1
Chlorodibromoacetic acid		2	3	2
Chloroform		11.1	21.5	15.6
Cyanogen chloride		3.0	2.2	0.6
Dibromochloromethane		2.6	1.8	<0.4
Dichloroacetic acid		5.1	8.8	5.7
Dichloroacetonitrile		1.2	1.8	1.1
Haloacetic Acids (5)		9	18	10
Total Trihalomethanes	80	21	32	18
Trichloroacetic acid		3.8	8.9	4.7
Nonspecific Organics				
Total Organic Carbon (mg/L)		2.0	1.6	1.1
Total Organic Halogen (µg/L)		115	147	97
UV Absorbance @ 254nm (AU)		0.031	0.030	0.025

[1] TT indicates that the MCL involves treatment techniques.
[2] DS indicates that the MCL involves calculations based upon the entire distribution system.

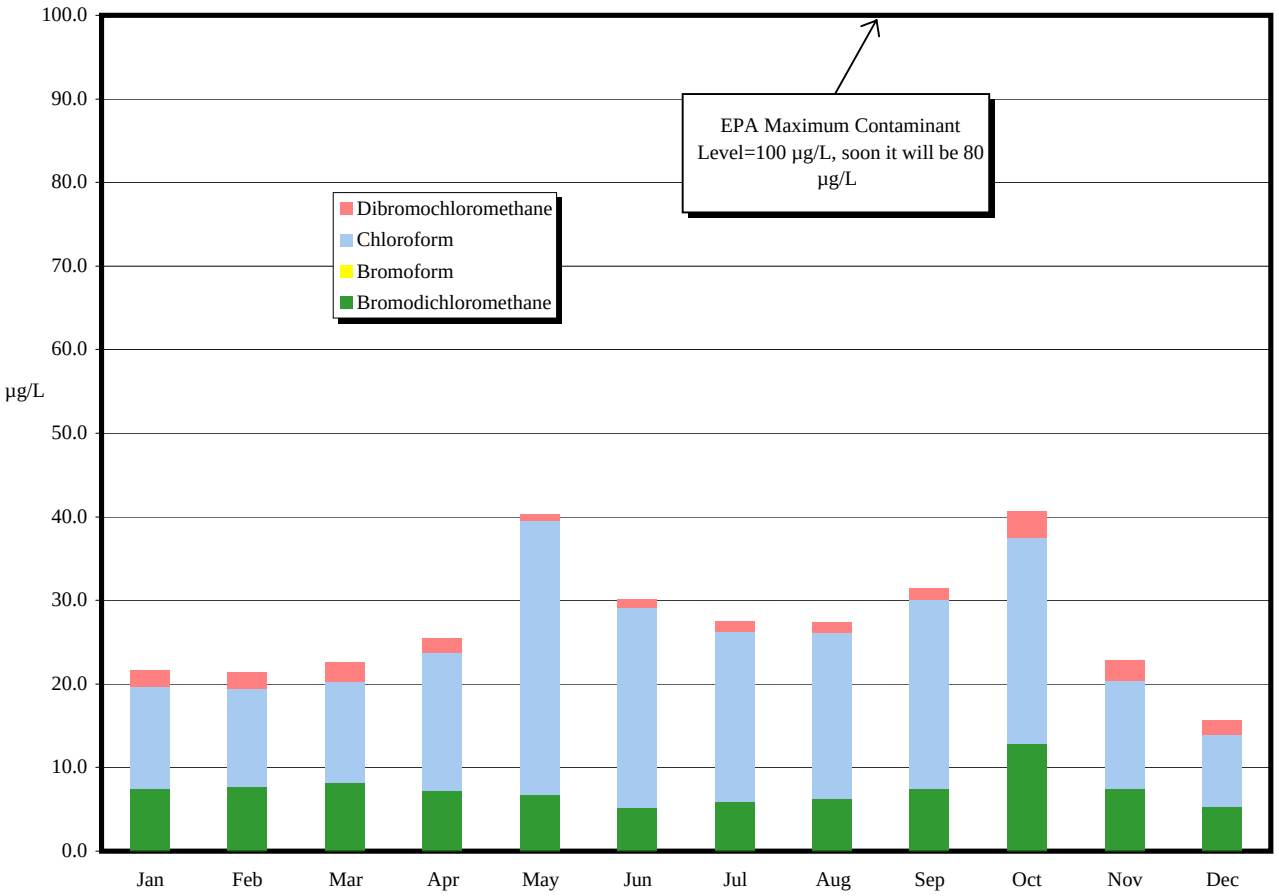
TREATED WATER QUALITY SUMMARY:
TREATMENT PLANT EFFLUENT AVERAGES - 2000

The following analyses were performed and each of these constituents was either not detected or the average result was less than the limit of detection. The Maximum Contaminant Level is listed after the analysis in parentheses, if applicable. The unit of measure is also listed if different than that listed for the subsection.

General
Chlorine, Free
Metals (mg/L)
Antimony, Total (0.006)
Arsenic, Total (0.05)
Beryllium, Total (0.004)
Cadmium, Total (0.005)
Chromium, Total (0.1)
Lead, Total (TT[1])
Mercury, Total (0.002)
Nickel, Total (0.1)
Selenium, Total (0.05)
Silver, Total
Thallium, Total (0.002)
Zinc
Ions (mg/L)
Ammonia-Nitrogen
Bromide
Nitrite-Nitrogen (1)
Ortho Phosphorus, Dissolved
Radiological (pCi/L)
Alpha, Total (15)
Plutonium 239 + 240
Radium-226, 228
Radon
Strontium 89 + 90
Microbiological
Cryptosporidium
Giardia (TT[1])
Plankton
Total Coliform (DS)
Volatile Organic Compounds (µg/L)
1,1,1,2-Tetrachloroethane
1,1,1-Trichloroethane (200)
1,1,2,2-Tetrachloroethane
1,1,2-Trichloroethane (5)
1,1-Dichloroethane
1,1-Dichloroethene (7)
1,1-Dichloropropene
1,2,3-Trichlorobenzene
1,2,3-Trichloropropane
1,2,3-Trimethylbenzene
1,2,4-Trichlorobenzene (70)
1,2,4-Trimethylbenzene
1,2-Dichloroethane (5)
1,2-Dichloropropane (5)
1,2-Dichloropropene
1,3-Dichloropropene
1,3,5-Trimethylbenzene
1,3-Dichloropropane
1-Chlorobutane
2,2-Dichloropropane
2-Butanone
2-Hexanone
2-Nitropropane
4-Methyl-2-Pentanone
Acetone
Acrylonitrile
Allyl chloride
Benzene (5)
Bromobenzene
Bromochloromethane
Bromomethane
Carbon disulfide
Chloroacetonitrile
Chlorobenzene (100)
Chloroethane
Chloromethane
cis-1,2-Dichloroethene (70)
cis-1,3-Dichloropropene
Dibromomethane
Dichlorodifluoromethane
Dichloromethane (5)
Diethyl ether
Ethyl Benzene (700)
Ethyl methacrylate
Hexachlorobutadiene
Hexachloroethane
Iodomethane
Isopropyl Benzene
m-Dichlorobenzene
Methacrylonitrile
Methyl tert-butylether
Methylacrylate
Methylmethacrylate
Naphthalene
n-Butyl Benzene
Nitrobenzene
n-Propyl Benzene
o-Chlorotoluene
o-Dichlorobenzene (600)
p-Chlorotoluene
p-Dichlorobenzene (78.5)
Pentachloroethane
p-Isopropyl Toluene
Propionitrile
sec-Butyl Benzene
Styrene (100)
tert-Butyl Benzene
Tetrachloroethene (5)
Tetrahydrofuran
Toluene (1000)
trans-1,2-Dichloroethene (100)
trans-1,3-Dichloropropene
trans-1,4-Dichloro-2-butene
Trichloroethylene (5)
Trichlorofluoromethane
Vinyl acetate
Vinyl Chloride (2)
Xylenes (10000)
Disinfection By-Products (µg/L)
Bromoform
Carbon tetrachloride (5)
Chloropicrin
Dibromoacetic acid
Dibromoacetonitrile
Monobromoacetic Acid
Monochloroacetic Acid
Trichloroacetonitrile
Pesticides (µg/L)
1,2-Dibromo-3-chloropropane (0.2)
2,4,5-T
2,4-D (70)
2,4-DB
3,5-Dichlorobenzoic acid
3-Hydroxycarbofuran
4,4'-DDD
4,4'-DDE
4,4'-DDT
4-Nitrophenol
α-BHC
Acetochlor
Acifluourfen
Alachlor (2)
Aldicarb
Aldicarb sulfone
Aldicarb sulfoxide
Aldrin
Ametryn
Atraton
Atrazine (3)
β-BHC
Bentazon
Bromacil
Butachlor
Butylate
Carbaryl
Carbofuran (40)
Chloramben
Chlordane (2)
Chlorneb
Chlorobenzilate
Chlorothalonil
Chlorpropham
cis-Permethrin
Cyanazine
Cycloate
Dacthal
Dalapon (200)
δ-BHC
Dicamba
Dichlorprop
Dichlorvos
Dieldrin
Dinoseb (7)
Diphenamid
Diquat (100)
Dursban
Endosulfan sulfate
Endosulfan-A
Endosulfan-B
Endothall (100)
Endrin (2)
Endrin Aldehyde
EPTC
Ethoprop
Ethylene dibromide (0.05)
Etridiazole
Fenarimol
Fluridone
Glyphosate (700)
Heptachlor (0.4)
Heptachlor Epoxide (0.2)
Hexachlorocyclopentadiene (50)
Hexazinone
Lindane (0.2)
Malathion
Methiocarb
Methomyl
Methoxychlor (40)
Methyl paraoxon
Metolachlor
Metribuzin
Mevinphos
MGK-264
Mirex
Molinate
Napropamide
Oxamyl (200)
Paraquat
Pebulate
Picloram (500)
Prometon
Prometryn
Pronamide
Propachlor
Propazine
Propoxur
Silvex (50)
Simazine (4)
Simetryn
Stirofos
Tebuthiuron
Terbacil
Terbutryn
Toxaphene (3)
trans-Permethrin
Triademefon
Tricyclazole
Trifluralin
Vernolate
Synthetic Organic Compounds (µg/L)
1,2,4,5-Tetrachlorobenzene
2,2,4,4-Tetrachlorobiphenyl
2,3-Dichlorobiphenyl
2,4-Dinitrotoluene
2,4,5-Trichlorobiphenyl
2-Chlorobiphenyl
Acenaphthylene
Anthracene
Benzo(a)anthracene
Benzo(a)pyrene (0.2)
Benzo(b)fluoranthene
Benzo(g,h,i)perylene
Benzo(k)fluoranthene
Bis(2-ethylhexyl)adipate (400)
Bis(2-ethylhexyl)phthalate
Butyl benzyl phthalate
Chrysene
Dibenzo(a,h)anthracene
Diethyl phthalate
Dimethyl phthalate
Di-n-butyl phthalate
Di-n-octyl phthalate
Fluoranthene
Fluorene
Hexachlorobenzene (1)
Indeno(1,2,3-cd)pyrene
Isophorone
Pentachlorobenzene
Pentachlorophenol (1)
Phenanthrene
Polychlorinated Biphenyls (0.5)
Pyrene

[1] TT indicates that the MCL involves treatment techniques.
[2] DS indicates that the MCL involves calculations based upon the entire distribution system.

DISTRIBUTION SYSTEM AVERAGE TRIHALOMETHANES - 200(



Trihalomethanes (THMs) are organic compounds formed when chlorine disinfectant is added to the water. The us of chlorine and other chlorine-based disinfectant compounds is mandated by health regulatory agencies to elimina microbiological contaminants from drinking water. The creation of THMs is a consequence of this necessa practice. THMs are comprised of four individual compounds. EPA has established 100µg/L as the MCL for Tota Trihalomethanes (the sum of the four individual compounds). The amounts present in the Denver distributio system are well below the 100µg/L level.

WATER QUALITY SAMPLE COLLECTION AND ANALYTICAL PROCEDURES - 200(

Samples Collected:	
Watershed	216
Treatment plant	1,093
Distribution system	6,225
Other	1,857
	9,391

Analyses Performed:	
Microbiological	9,627
Chemical	32,219
	41,846

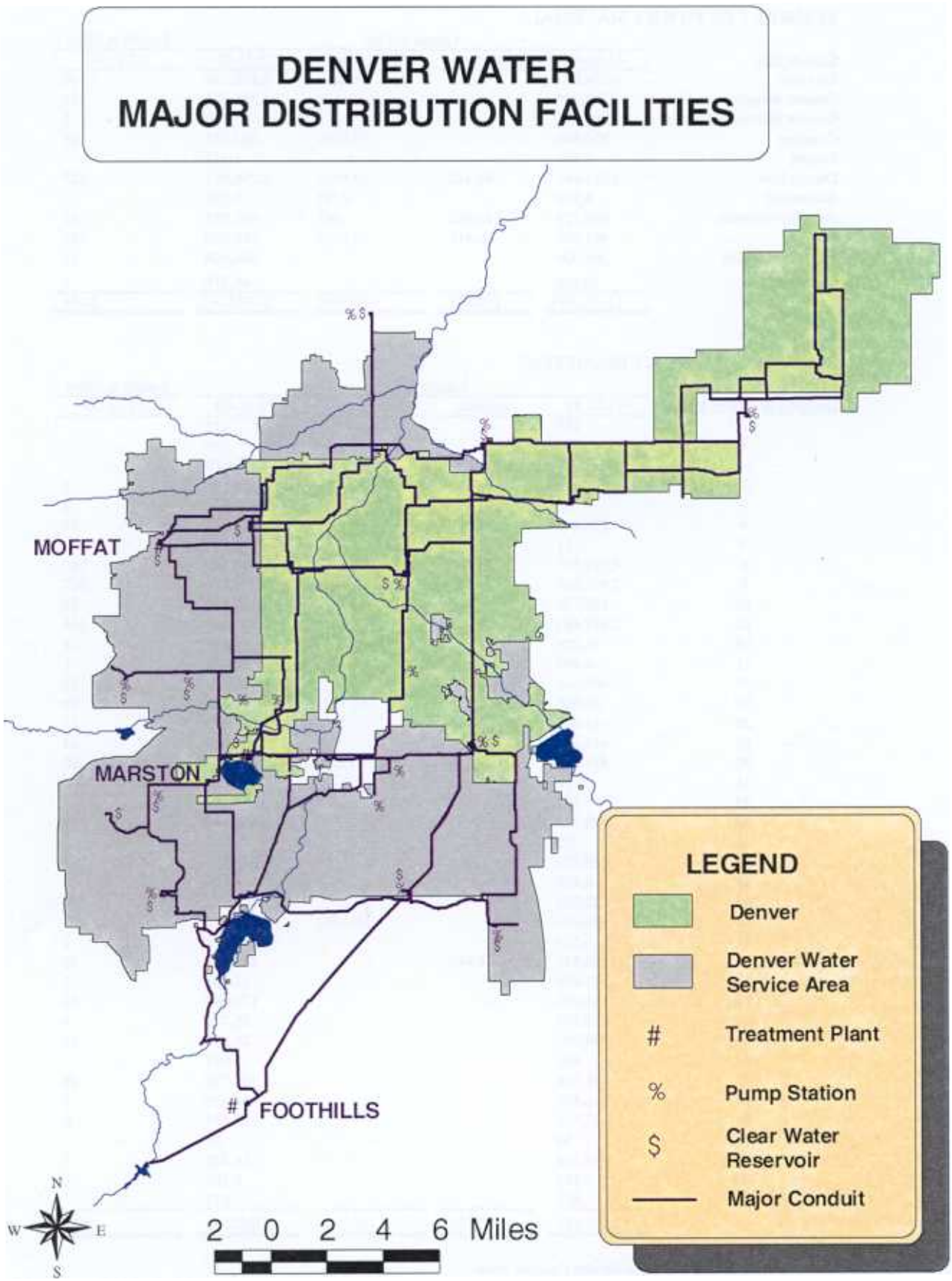
Transmission

2000 Facts

Miles of pipe installed	32.5
Miles of pipe in system	2,474
Miles of nonpotable pipe in system	17.3
Number of valves operated and maintained	39,468
Number of nonpotable valves in system	147
Number of hydrants operated and maintained	13,991

Leak Detection Program:

Miles of pipe surveyed	846
Visible leaks pinpointed	154
Non-visible leaks detected	125


DENVER WATER
MAJOR DISTRIBUTION FACILITIES
MOFFAT
MARSTON
FOOTHILLS
LEGEND
Denver
Denver Water Service Area
Treatment Plant
% Pump Station
$ Clear Water Reservoir
Major Conduit
N
W
E
S
2 0 2 4 6 Miles

TRANSMISSION AND DISTRIBUTION MAINS - 2000

SUMMARY OF PIPE BY MATERIAL[1]

	Length in Feet				Length in Miles
Kind of Pipe	12-31-99	Additions	Reductions	12-31-00	12-31-00
Cast iron	6,124,646	-	(24,120)	6,100,526	1,160
Cement Asbestos	1,392,236	-	(555)	1,391,681	264
Cement Mortar coated steel	27,992	-	-	27,992	5
Concrete	876,848	-	(9,486)	867,362	166
Copper	1,141	-	-	1,141	-
Ductile iron	2,253,465	46,412	(1,016)	2,298,861	427
Galvanized	8,843	-	(618)	8,225	2
Polyvinyl chloride	850,759	114,862	(66)	965,555	161
Steel	981,081	10,419	(4,902)	986,598	186
Steel -tape coated	364,904	-	-	364,904	69
Unknown[2]	49,516	-	-	49,516	9
	12,931,431	171,693	(40,763)	13,062,361	2,474

SUMMARY OF PIPE BY DIAMETER[1]

	Length in Feet				Length in Miles
Diameter of Pipe in Inches	12-31-99	Additions	Reductions	12-31-00	12-31-00
0.75	413	-	-	413	-
1	778	-	-	778	-
1.5	2,019	-	-	2,019	-
2	3,128	-	-	3,128	1
3	9,712	-	(663)	9,049	2
4	128,447	3,499	(523)	131,423	24
5	11	-	-	11	-
6	4,197,191	20,186	(17,997)	4,199,380	795
8	2,993,841	79,475	(3,142)	3,070,174	567
10	135,530	-	-	135,530	26
12	2,457,463	53,858	(3,861)	2,507,460	465
14	44,289	-	-	44,289	8
15	4,499	-	-	4,499	1
16	409,569	90	-	409,659	78
18	54,000	-	(4,150)	49,850	10
20	113,808	-	(85)	113,723	22
24	444,144	4,166	-	448,310	84
30	421,635	876	(856)	421,655	80
31	29	-	-	29	-
33	185	-	-	185	-
36	498,146	-	-	498,146	94
40	57	-	-	57	-
42	226,372	-	-	226,372	43
45	4,638	-	-	4,638	1
46	23,272	-	-	23,272	4
48	143,062	-	(9,486)	133,576	27
51	6,514	-	-	6,514	1
54	146,525	9,543	-	156,068	28
57	12,858	-	-	12,858	2
60	175,692	-	-	175,692	33
63	16,779	-	-	16,779	3
66	84,897	-	-	84,897	16
67	692	-	-	692	-
72	101,758	-	-	101,758	19
84	16,656	-	-	16,656	3
90	32,635	-	-	32,635	6
96	50	-	-	50	-
108	16,218	-	-	16,218	3
120	3,102	-	-	3,102	1
144	818	-	-	818	-
	12,931,431	171,693	(40,763)	13,062,361	2,474

[1]Mains within the City and Total Service Contract Areas.

[2]Unknown pipe material is assumed to be cast iron.

VALVES - 2000

SUMMARY OF VALVES BY TYPE[1]

Type of Valve	12-31-99	Additions	Reductions	12-31-00
Air vacuum valve	1,250	18	(10)	1,258
Ball valve	7	-	-	7
Blowoff valve	2,551	11	(6)	2,556
Butterfly valve	893	8	(6)	895
Check valve	20	-	-	20
Cone valve	18	-	-	18
Gate valve	33,183	784	(131)	33,836
Hub valve	5	-	-	5
MacDougall blowoff valve	97	20	-	117
Pito (Corp stop)	586	1	(2)	585
Pressure regulating valve	155	-	-	155
Unknown	11	-	-	11
Vacuum valve	5	-	-	5
	38,781	842	(155)	39,468

SUMMARY OF VALVES BY DIAMETER[1]

Diameter of Valve	12-31-99	Additions	Reductions	12-31-00
1	915	1	(2)	914
2	2,036	30	(3)	2,063
2.5	1	-	-	1
3	74	-	(3)	71
4	1,077	25	(10)	1,092
6	13,883	112	(96)	13,899
8	10,353	397	(16)	10,734
10	455	-	-	455
12	8,452	269	(19)	8,702
14	63	-	-	63
15	2	-	-	2
16	270	-	(2)	268
18	45	-	-	45
20	173	-	-	173
24	498	3	-	501
30	178	-	-	178
36	152	-	(4)	148
42	56	-	-	56
48	51	5	-	56
54	20	-	-	20
60	23	-	-	23
72	4	-	-	4
	38,781	842	(155)	39,468

[1]Valves within the City and Total Service Contract Areas.

FIRE HYDRANTS - 2000

FIRE HYDRANTS[1]

Size in Inches	Total Hydrants 12-31-99	Additions	Reductions	12-31-00
4	34	-	(11)	23
6	13,647	346	(25)	13,968
	13,681	346	(36)	13,991

FIRE HYDRANT BRANCH PIPE[1]

Size in Inches	Kind of Pipe	Length in Feet 12-31-99	Additions	Reductions	12-31-00
4	Cast iron	603	-	(198)	405
4	Ductile iron	34	-	-	34
6	Cast iron	161,736	-	(450)	161,286
6	Cement asbestos	2,591	-	-	2,591
6	Ductile iron	109,945	6,228	-	116,173
6	Polyvinylchloride	943	-	-	943
6	Steel	19,088	-	-	19,088
6	Unknown	25,963	-	-	25,963
		320,903	6,228	(648)	326,483

SUMMARY OF FIRE HYDRANT BRANCH PIPE BY MATERIAL[1]

Kind of Pipe	Length in Feet 12-31-99	Additions	Reductions	12-31-00
Cast iron	162,339	-	(648)	161,691
Cement asbestos	2,591	-	-	2,591
Ductile iron	109,979	6,228	-	116,207
Polyvinylchloride	943	-	-	943
Steel	19,088	-	-	19,088
Unknown	25,963	-	-	25,963
	320,903	6,228	(648)	326,483

SUMMARY OF FIRE HYDRANT BRANCH PIPE BY DIAMETER[1]

Size in Inches	Length in Feet 12-31-99	Additions	Reductions	12-31-00
4	637	-	(198)	439
6	320,266	6,228	(450)	326,044
	320,903	6,228	(648)	326,483

[1]Fire hydrants and branch pipe within the City and Total Service Contract Areas.

NONPOTABLE MAINS AND VALVES - 2000

NONPOTABLE MAINS

Size	Kind of Pipe	Length in Feet 12-31-99	Additions	Reductions	12-31-00
4"	PVC	3,327	-	-	3,327
6"	PVC	2,216	-	-	2,216
8"	PVC	2,380	4,730	-	7,110
8"	Steel	61	-	-	61
10"	Steel	22	-	-	22
12"	Steel	10,307	-	-	10,307
12"	PVC	21,462	110	-	21,572
16"	PVC	19,839	89	-	19,928
20"	PVC	26,958	-	-	26,958
	Totals	86,572	4,929	-	91,501

Summary:

Kind of Pipe	Length in Feet 12-31-99	Additions	Reductions	12-31-00
PVC	76,182	4,929	-	81,111
Steel	10,390	-	-	10,390
Totals	86,572	4,929	-	91,501

NONPOTABLE VALVES

Size	Type of Valve	12-31-99	Additions	Reductions	12-31-00
4"	Gate	14	-	-	14
6"	Gate	15	-	-	15
8"	Gate	13	11	-	24
10"	Gate	2	-	-	2
12"	Gate	64	2	-	66
20"	Gate	26	-	-	26
	Totals	134	13	-	147

Note: Dual distribution system mains and valves have been installed to deliver water for nonpotable uses at Denver International Airport. Nonpotable water will not be available in the dual distribution system prior to the construction of a nonpotable reuse plant in 2004.

BREAKS IN MAINS, WATER CONTROL AND LEAK DETECTION SERVICES - 2000

DENVER MAIN BREAKS

Size	Pipe Material	Number of Breaks
2"	Cast Iron	1
2"	Ductile Iron	1
2"	Galvinized Iron	1
3"	Cast Iron	1
4"	Cast Iron	5
4"	Cement Asbestos	1
4"	Ductile Iron	1
6"	Cast Iron	122
6"	Cement Asbestos	2
6"	Ductile Iron	3
8"	Cast Iron	49
8"	Cement Asbestos	1
8"	PVC	1
10"	Cast Iron	2
12"	Cast Iron	36
12"	Ductile Iron	3
12"	Cement Asbestos	1
12"	PVC	2
16"	Cast Iron	2

DENVER MAIN BREAKS (Continued)

Size	Pipe Material	Number of Breaks
18"	Steel	1
24"	Ductile Iron	1
30"	Cast Iron	1
36"	Cast Iron	1
36"	Cement Asbestos	2
36"	Ductile Iron	1
60"	Concrete	1
	Total	243

TOTAL SERVICE MAIN BREAKS

Size	Pipe Material	Number of Breaks
6"	Ductile Iron	1
6"	Cast Iron	20
8"	Cast Iron	5
8"	Ductile Iron	1
12"	Ductile Iron	1
12"	Cast Iron	2
		30

WATER CONTROL SERVICES

	2000	1999	1998	1997	1996
Service Calls	3,097	2,153	2,571	1,540	2,103
Service Leaks	907	663	779	591	648
Service Turn Ons	2,467	2,140	2,064	2,492	2,520
Service Turn Offs	806	687	730	815	975
Valve Leaks	135	107	55	68	72
Fire Hydrants Hit	112	132	141	138	106
Fire Hydrants Packed and Greased	22,637	23,973	25,923	24,969	13,726
Fire Hydrants Excavated for Replacement	197	142	160	206	205
Fire Hydrants, Miscellaneous Repairs	929	805	926	875	857
Total Fire Hydrants Tested and Repaired	23,875	25,052	27,150	26,188	14,894

LEAK DETECTION PROGRAM

	2000	1999	1998	1997	1996
Non-Visible Leaks Detected	125	115	84	80	49
Non-Visible Water Leaks Loss (1000's of Gallons)[1]	163,800	151,225	110,800	105,120	128,772
Visible Leaks Pinpointed	154	224	173	246	193
Savings Generated from Leak Detection Program[1]	$107,800	$134,400	$103,800	$147,600	$115,800
Miles Surveyed	846	862	1,038	903	858

[1]Estimated.

Financial

25 LARGEST CUSTOMERS - WATER CONSUMPTION AND REVENUE - 2000 (NON-ACCRUAL BASIS)[1]

Account Type	Consumption (000 Gallons)	Water Revenue
School System	524,147	$ 766,849
Multi-location petroleum retailer	483,705	839,766
Housing Authority	424,210	604,739
Public Utility	423,111	672,136
Public Recreation Agency	212,800	453,952
Federal Government	205,221	366,750
Beverage Company	168,689	231,926
Manufacturer	168,615	298,321
Multi-location Medical Provider	167,429	259,938
Retail Grocer	164,067	239,850
Property Management	147,688	212,205
Medical Center	140,659	200,009
Public Utility	136,197	244,634
Manufacturer	133,074	183,799
Snack Food Company	121,283	166,271
Urban Redevelopment Authority	118,320	322,053
Hotel	118,133	164,672
School System	114,399	226,553
Property Management	107,372	151,880
Manufacturer	101,079	132,432
Property Management	98,008	181,718
Property Management	97,965	212,921
Beverage Company	97,236	133,353
Retail Grocer	92,235	141,330
Public Utility	91,110	160,611
Total - 25 Largest Customers	4,656,752	$ 7,568,668
Total Sales of Treated Water	81,183,956	$ 143,596,580
Percent of 25 Largest Customers to Total Sales of Treated Water	5.74%	5.27%

[1]This schedule represents actual billings made for water during the year. The difference from amounts on an accrual basis is immaterial. In addition to the accounts listed, Denver Water provided 3,289,900 (000 gallons) to the City and County of Denver. Revenues from these sales were $3,770,708.

ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT - 2000
(amounts expressed in thousands)

NEW FACILITIES

SOURCE OF SUPPLY		
South Platte Improvements	$ 121	
Water Rights	1,515	
South Platte Downstream Storage-Gravel Pits	15,325	
Moffat Tunnel System	427	
Gross Reservoir Improvements	210	
Leyden Gulch Reservoir	2,889	
Conduit 22	579	
Winter Park	100	
Eleven Mile	624	
Marston	591	
Eagle Pinney	160	
S. Boulder	3,558	
Other	1,558	
Total Source of Supply		27,657
PUMPING PLANT AND CLEAR WATER STORAGE		
Belleview -Natural Gas Engines	131	
Chatfield - Expansion of Pump Station	124	
Other Miscellaneous	46	
Total Pumping Plant and Clear Water Storage		301
WATER TREATMENT		
Non-Potable Water Project	1,973	
Marston Treatment Plant Improvements	3,103	
Marston Treatment Plant Solids Handling Facility	22	
Marston Dissinfection Facility Improvements	367	
Moffat Dissinfection Facility Improvements	2,150	
Foothills Treatment Plant Improvements	10,951	
Other Miscellaneous	57	
Total Water Treatment		18,623
TRANSMISSION AND DISTRIBUTION		
Denver International Airport Mains and Hydrants	358	
Colorow Reservoir	2,335	
Conduit 138	383	
Conduit 152	457	
Distribution Mains & Hydrants	6,773	
Large Conventional Meter Replacement Program	1,658	
Non-Potable	126	
Other	143	
Total Transmission and Distribution		12,233
GENERAL PLANT		
Remodel Building No. 3	889	
Other	88	
		977
TOTAL NEW FACILITIES		$ 59,791

(Continued next page)

ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT - 2000 (Continued)
(amounts expressed in thousands)

FACILITY REPLACEMENTS AND IMPROVEMENTS		
SOURCE OF SUPPLY		
Antero Reservoir	$ 135	
Dillon Reservoir	295	
Gross Reservoir	147	
Ralston Reservoir	106	
Strontia Springs	158	
Roberts Tunnel	85	
Williams Fork	124	
Other	146	
Total Source of Supply		1,196
PUMPING PLANT AND CLEAR WATER STORAGE		
Einfeldt	500	
Highlands	204	
Marston N. Side	95	
Other	225	
Total Pumping Plant and Clear Water Storage		1,024
WATER TREATMENT		
Foothills Plant General Replacements	365	
Moffat Plant General Replacements	596	
Marston Plant General Replacements	154	
Kassler Plant General Replacements	190	
Other	96	
Total Water Treatment		1,401
TRANSMISSION AND DISTRIBUTION		
Valve Replacements	107	
Mains - Replace, Extend, and Relocate	10,218	
Fire Hydrants - Replacements	909	
Meter Replacements	618	
Cnduit 3	567	
Conduit 55	4,285	
Conduit 65	115	
Conduit 93	420	
Other	315	
Total Transmission and Distribution		17,554
GENERAL PLANT		
Westside Yard Improvements	822	
Total General Plant		822
TOTAL FACILITY REPLACEMENTS AND IMPROVEMENTS		21,997
GENERAL EQUIPMENT ADDITIONS, REPLACEMENTS, AND IMPROVEMENTS		
Motor Vehicles and Heavy Equipment	1,217	
Computer Equipment	1,357	
Capitalized Software	1,283	
Other	1,848	
TOTAL GENERAL EQUIPMENT		5,705
TOTAL PLANT ADDITIONS		$ 87,493

	Rate Per 1,000 Gallons		
	City of Denver Schedule 1	Outside City Total Service Schedule 2	Outside City Read and Bill Schedule 3
	(Effective for bills dated on or after Mar. 6, 2000)		
CONSUMPTION CHARGE (Bimonthly)			
Residential Customers:			
First 22,000 Gallons	$ 1.43	$ 2.19	$ 1.77
Next 38,000 Gallons	1.72	2.63	2.12
All Over	2.15	3.29	2.66
Small Multi-Family:			
(Duplexes through five-plexes with a single meter)			
First 30,000 gallons[1]	1.26	2.01	1.76
Over 30,000 gallons	1.51	2.41	2.11
All Other Retail Customers:			
Winter	1.24	1.88	1.59
Summer	1.49	2.26	1.91
SERVICE CHARGE			
Monthly	$ 3.21	$ 3.21	$ 3.21
Bimonthly	4.52	4.52	4.52
PRIVATE FIRE PROTECTION SERVICE CHARGES (Bimonthly)			
Fire Hydrants	$ 27.43	$ 15.03	$ 11.25
Sprinkler Systems and Standpipes:			
(Size of Connection)			
1"	7.45	4.08	3.06
2"	12.42	6.81	5.10
4"	19.20	10.52	7.88
6"	27.43	15.03	11.25
8"	48.00	26.30	19.69
10"	68.57	37.57	28.13
12"	109.71	60.11	45.01
16"	274.28	150.28	112.52

OUTSIDE CITY WHOLESALE RATE - Schedule 4	Rate per 1,000 gallons
Consumption Charge - all consumption	$ 1.74
Service Charge - Not applicable for this rate schedule	

Applicability

Schedule 1: All licensees with metered service having the right to take and use water inside the territorial limits of the City and County of Denver.

Schedule 2: All licensees outside the territorial limits of the City and County of Denver who receive water service from the Board of Water Commissioners under agreements whereby the Board operates and maintains all of the systems used to supply the licensee in a manner to provide complete and total service similar to that furnished inside Denver.

Schedule 3: All licensees outside the territorial limits of the City and County of Denver who receive water service from the Board of Water Commissioners under agreements whereby the licensee in some manner operates and maintains portions of the system used to supply the licensee and the Board is responsible for billing each licensee on an individual basis.

Schedule 4: Municipalities, quasi-municipal districts and water companies outside the territorial limits of the City and County of Denver who receive water service from the Board of Water Commissioners under agreements whereby the municipalities, quasi-municipalities, and water companies operate and maintain water distribution systems to supply individual licensees. The Board bills only the distributor for water delivered through large "Master Meters" and the distributor establishes the rates for and bills the individual licensees.

[1]Bimonthly usage amounts increase by 12,000 gallons per additional dwelling unit up to 5 dwelling units.

(Continued next page)

	Raw Water Service	
	Denver	Outside City
RAW WATER SERVICE RATE - Schedule 5		
Consumption Charge per 1,000 gallons - all consumption	$ 0.47	$ 0.49
Consumption Charge per Acre Foot - all consumption	153.15	159.67
Service Charge - Not applicable for this rate schedule		

SYSTEM DEVELOPMENT CHARGES (Effective January 1, 2000)

	Treated Water Service	
Single Family Residential Taps[1]	Denver	Outside City
Base charge per residence	$ 980	$ 1,375
Charge per square foot of gross lot size	$ 0.24	$ 0.34
Multifamily Residential Taps[2]		
Base charge for duplex or first two household units (Served through a single tap)	$ 3,925	$ 5,500
Charge for each additional household unit above two units (Served through a single tap)	$ 800	$ 1,125

All Other Taps[3]	Treated Water Service		Raw Water
Connection Size	Denver	Outside City	Service
3/4"	$ 2,925	$ 4,100	$ 2,100
1"	8,775	12,300	6,300
1-1/2"	17,550	24,600	16,800
2"	26,325	36,900	27,300
3"	49,725	69,700	46,200
4"	81,900	114,800	69,300
6"	143,325	200,900	142,800
8"	245,700	344,400	184,800
10"	315,900	442,800	237,300
12"	418,275	586,300	338,100

Applicability

[1]Licenses for 3/4 inch single family residential taps within the City and County of Denver and Denver Water Service Areas, including applicable special contracts.

[2]Licenses for multifamily residential taps within the City and County of Denver and Denver Water Service Areas, including applicable special contracts.

[3]Licenses for all other taps within the City and County of Denver and Denver Water Service Areas, including applicable special contracts.

The System Development Charge applies to any applicant for a license to take water through the Denver system or a system deriving its supply from Denver. This charge is assessed upon application for a new tap and is due and payable prior to the issuance of a license to the customer.

CUSTOMER SERVICE DATA: 1991 - 2000

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
Active Taps:[1]										
Beginning of Year	**278,374**	274,938	271,338	268,676	265,820 [5]	268,506	265,233	262,184	259,695	258,096
Activated During Year	**4,871**	3,732	3,919	2,825	3,013	3,807	3,449	3,254	2,740	1,905
Discontinued During Year	**(260)**	(296)	(319)	(163)	(157)	(314)	(176)	(205)	(251)	(306)
Net Increase During Year	**4,611**	3,436	3,600	2,662	2,856	3,493	3,273	3,049	2,489	1,599
Total Active Taps - End of Year	**282,985**	278,374	274,938	271,338	268,676	271,999	268,506	265,233	262,184	259,695
Services Behind Master Meters	**66,135**	64,655	64,225	63,449	62,713 [5]	68,066	66,132	65,048	63,335	62,118
Active Meters (excludes customers Behind Master Meters)[1]										
Inside City	**147,472**	145,466	143,602	142,169 [4]	141,248	140,497	140,028	139,185	138,979	116,570
Read and Bill	**36,760**	36,114	35,379	34,638	33,791	32,827	32,142	31,030	30,285	29,511
Total Service	**31,442**	30,965	30,575	29,892	29,425	29,090	28,756	28,289	27,992	27,714
City and County	**1,058**	1,055	1,019	1,018	1,020	1,023	1,072	979	940	895
Monthly	**118**	119	138	172	479	496	376	702	653	644
Total Active Meters	**216,850**	213,719	210,713	207,889	205,963	203,933	202,374	200,185	198,849	175,334
Total Active Taps - End of Year	**282,985**	278,374	274,938	271,338	268,676	271,999	268,506	265,233	262,184	237,452
Stub-Ins on System[2]	**2,389**	3,086	3,483	1,895	2,422	2,215	2,825	2,120	1,519	1,171
Fire Hydrant Use Permits	**680**	1,132	1,185	999	918	849	930	721	509	437
AMR (Automatic Meter Reading) Installations	**298**	-	-	-	-	-	-	-	-	-
Turn-Offs Due to Delinquent Accounts	**9,045**	7,920	7,992	8,650	9,317	9,329	5,907	6,218	6,212	5,304
In-Home Water Audits	**1,155**	1,092	1,751	1,637	1,343	1,403	1,501	2,147	1,857	1,991
Call Center Calls	**173,016**	169,399	140,284	143,955	160,808	150,800	169,115	161,005	145,161	131,600
Water Quality Calls[3]										
Taste and Odor	**220**	148	530	91	-	-	-	-	-	-
Clarity	**75**	189	278	197	-	-	-	-	-	-
Hardness	**1**	69	70	68	-	-	-	-	-	-
Other	**9**	485	644	1,361	-	-	-	-	-	-
New Taps Made[6]	**3,834**	4,498	5,838	3,273	3,178	1,683	-	-	-	-

[1]Service is on or has not been off for 5 consecutive years. Does not include taps sold to raw water distributors.

[2]Stub-Ins are a connection made solely to extend the service line from the main to the valve at the property line prior to the paving of the street and are not considered a tap.

[3]Customer Service started taking Water Quality Calls in 1996. Information prior to 1996 unavailable.

[4]Beginning in 1997, large meters for wholesale distributors excluded from count, consistent with "Analysis of Customer Accounts for Treated Water."

[5]Broomfield Taps (6,179), removed from Master Meter counts in 1996.

[6]Customer Service Field took over the duties of the Tapping Shop(Meter Shop) in 1995. Information prior to 1995 unavailable.

ANALYSIS OF CUSTOMER ACCOUNTS FOR TREATED WATER - 2000[1]

		Total Accounts			On Accounts	
		12-31-00	12-31-99	Increase (Decrease)	12-31-00	12-31-99
METERED GENERAL CUSTOMERS						
Residential -	Denver	123,358	121,620	1,738	122,480	120,699
	Outside City	33,578	33,086	492	33,537	33,044
	Total Service	28,414	27,987	427	28,339	27,917
Small multi-family -	Denver	8,327	8,228	99	8,256	8,156
	Outside City	324	313	11	324	313
	Total Service	460	452	8	460	452
Commercial -	Denver	15,228	15,118	110	14,533	14,417
	Outside City	2,785	2,642	143	2,755	2,618
	Total Service	2,434	2,391	43	2,381	2,345
Industrial -	Denver	278	280	(2)	241	240
	Outside City	7	7	0	7	7
	Total Service	10	10	0	10	10
TOTAL METERED GENERAL CUSTOMERS		215,203	212,134	3,069	213,323	210,218
PUBLIC AUTHORITIES						
City & County of Denver		1,180	1,118	62	1,046	987
Other County Agencies -	Denver	162	164	(2)	157	157
	Outside City	54	54	0	53	53
	Total Service	114	115	(1)	109	110
State Agencies -	Denver	67	64	3	62	61
	Outside City	2	2	0	2	2
	Total Service	8	8	0	4	6
Federal Agencies -	Denver	48	48	0	35	36
	Outside City	10	10	0	9	9
	Total Service	2	2	0	2	2
TOTAL PUBLIC AUTHORITIES		1,647	1,585	62	1,479	1,423
RESALE ACCOUNTS (MASTER METER)[2]		66,230	64,225	2,005	66,230	64,225
TOTAL TREATED WATER CUSTOMERS		283,080	277,944	5,136	281,032	275,866

SUMMARY (FOR SEC DISCLOSURE REQUIREMENTS)		
CITY	148,648	146,640
TREATED WATER CONTRACT AREA:		
Master Meter (Resale Accounts)	66,230	64,225
Total Service	31,442	30,965
Read & Bill (Outside City)	36,760	36,114
Total Treated Water Customers	283,080	277,944
RAW WATER CONTRACT AREA[3]:		
City of Arvada	31,527	31,024
North Table Mountain Water and Sanitation District	2,923	2,813
Total Customer Accounts	317,530	311,781

[1] Represents number of metered services at year-end. For average number of customers billed during the calendar year, see "Operating Revenue and Related Water Consumption."

[2] See "Analysis of Sales of Treated Water for Resale."

[3] The number of accounts were provided by the City of Arvada and the North Table Mountain Water and Sanitation District.

OPERATING REVENUE AND RELATED WATER CONSUMPTION - 2000
(NON-ACCRUAL BASIS)[1]

		Revenue	Consumption (000 Gallons)	Average Number of Customers	Revenue Per 1,000 Gallons
I. SALES OF TREATED WATER					
A. METERED GENERAL CUSTOMERS					
Residential -	Denver	$31,206,097	17,809,379	121,533	$1.7522
	Outside City	14,392,333	6,679,103	33,216	2.1548
	Total Service	14,958,586	5,646,381	28,111	2.6492
Small multi-family-	Denver	2,853,865	1,975,651	8,203	1.4445
	Outside City	201,771	102,519	318	1.9681
	Total Service	309,703	138,112	455	2.2424
Commercial -	Denver	21,874,352	15,538,516	14,423	1.4078
	Outside City	6,833,019	3,753,750	2,677	1.8203
	Total Service	5,023,151	2,325,892	2,360	2.1597
Industrial -	Denver	1,780,616	1,308,870	236	1.3604
	Outside City	1,528,719	868,757	7	1.7597
	Total Service	227,734	106,984	10	2.1287
		101,189,946	56,253,914	211,549	1.7988
B. PRIVATE FIRE PROTECTION SERVICE					
Sprinklers -	Denver	574,872	- [2]		
	Outside City	37,805	- [2]		
	Total Service	29,667	- [2]		
		642,344	- [2]		
C. OTHER SALES TO PUBLIC AUTHORITIES					
City & County of Denver		3,770,708	3,289,900	1,001	1.1461
Other County Agencies -	Denver	764,915	526,116	159	1.4539
	Outside City	467,458	256,872	52	1.8198
	Total Service	738,246	336,493	110	2.1939
State Agencies -	Denver	476,313	344,087	63	1.3843
	Outside City	7,758	4,261	2	1.8206
	Total Service	15,730	7,110	5	2.2123
Federal Agencies -	Denver	280,422	183,769	22	1.5259
	Outside City at Denver Rates	20,270	14,400	1	1.4076
	Outside City	351,910	194,352	5	1.8107
	Total Service	2,010	933	2	2.1548
		$ 6,895,740	5,158,293	1,422	$1.3368

[1] This schedule represents actual billings made for water during the year. No accruals were made for revenue earned on unbilled metered accounts. Therefore, amounts on this schedule do not agree with amounts on the Statement of Revenues, Expenses and Changes in Retained Earnings. The difference from amounts on an accrual basis is immaterial.

[2] Consumption is considered as part of unaccounted-for treated water. See "Analysis of Sales of Treated Water between Denver and Outside City" for this estimate.

(Continued next page)

OPERATING REVENUE AND RELATED WATER CONSUMPTION (Continued) - 2000
(NON-ACCRUAL BASIS)

	Revenue	Consumption (000 Gallons)	Average Number of Customers	Revenue Per 1,000 Gallons
I. SALES OF TREATED WATER (Continued)				
D. SALES OF TREATED WATER FOR RESALE[1]	$ 33,834,278	19,569,313	66,230	$ 1.7289
II. HYDRANT & CONSTRUCTION WATER FEES[2]	1,034,272	202,436		5.1091
TOTAL SALES OF TREATED WATER[3]	143,596,580	81,183,956	279,201	1.7688
III. SALES OF NON-POTABLE WATER[4]	5,455,999	11,115,265	26	0.4909
TOTAL SALES OF WATER	149,052,579	92,299,221	279,227	$ 1.6149
IV. OTHER NON-POTABLE WATER DELIVERIES[4]		6,805,724		
TOTAL CONSUMPTION		99,104,945		

V. OTHER OPERATING REVENUE	
A. POWER SALES REVENUE	
Foothills Treatment Plant	159,843
Strontia Springs	241,909
Dillon Dam	469,877
Roberts Tunnel	598,375
Hillcrest	231,232
Williams Fork	369,798
	2,071,034
B. SPECIAL ASSESSMENTS	
Late Payment Penalties	1,581,566
Conservation Penalties	24,192
Field Collection Charges	566,927
Turnoff - Turn on Charges	118,755
	2,291,440
TOTAL OTHER OPERATING REVENUE	4,362,474
TOTAL OPERATING REVENUE	$ 153,415,053

[1]See "Analysis of Sales of Treated Water for Resale."

[2]Previously reported as Sales of Treated Water - Construction Water on page C-50.

[3]See "Analysis of Sales of Treated Water Between Denver and Outside City."

[4]See "Analysis of Sales of Non-Potable Water Between Denver and Outside City."

ANALYSIS OF SALES OF TREATED WATER BETWEEN DENVER AND OUTSIDE CITY - 2000 (NON-ACCRUAL BASIS)[1]

	Revenue		Consumption		Average
	Amount	Percent of Total	Amount (000 Gallons)	Percent of Total	Number of Customers
I. DENVER					
A. METERED GENERAL CUSTOMERS					
Residential	$ 31,206,097	21.73%	17,809,379	21.94%	121,533
Small multi-family	2,853,865	1.99%	1,975,651	2.43%	8,203
Commercial	21,874,352	15.23%	15,538,516	19.14%	14,423
Industrial	1,780,616	1.24%	1,308,870	1.61%	236
	57,714,930	40.19%	36,632,416	45.12%	144,395
B. PRIVATE FIRE PROTECTION SERVICE					
Sprinklers	574,872	0.40%	-[2]		
C. OTHER SALES TO PUBLIC AUTHORITIES					
City And County of Denver	3,770,708	2.63%	3,289,900	4.05%	1,001
Other County Agencies	764,915	0.53%	526,116	0.65%	159
State Agencies	476,313	0.33%	344,087	0.42%	63
Federal Agencies	280,422	0.20%	183,769	0.23%	22
	5,292,358	3.69%	4,343,872	5.35%	1,245
TOTAL SALES OF TREATED WATER - DENVER	63,582,160	44.28%	40,976,288	50.47%	145,640
Revenue per 1,000 Gallons - Denver			$1.5517		
II. OUTSIDE CITY					
A. METERED GENERAL CUSTOMERS					
Residential	14,392,333	10.02%	6,679,103	8.23%	33,216
Small multi-family	201,771	0.14%	102,519	0.13%	318
Commercial	6,833,019	4.76%	3,753,750	4.62%	2,677
Industrial	1,528,719	1.06%	868,757	1.07%	7
Residential - Total Service	14,958,586	10.42%	5,646,381	6.96%	28,111
Small multi-family - Total Service	309,703	0.22%	138,112	0.17%	455
Commercial - Total Service	5,023,151	3.50%	2,325,892	2.86%	2,360
Industrial - Total Service	227,734	0.16%	106,984	0.13%	10
	$ 43,475,016	30.28%	19,621,498	24.17%	67,154

[1]This schedule represents actual billings made for water during the year. No accruals were made for revenue earned on unbilled accounts. Therefore, amounts on this schedule do not agree with amounts on the Statement of Revenues, Expenses, and Changes in Retained Earnings. The difference from amounts on an accrual basis is immaterial.

[2]Consumption is considered as part of unaccounted-for treated water.

(Continued next page)

ANALYSIS OF SALES OF TREATED WATER BETWEEN DENVER AND OUTSIDE CITY - 2000 (NON-ACCRUAL BASIS) (Continued)

	Revenue		Consumption		Average
	Amount	Percent of Total	Amount (000 Gallons)	Percent of Total	Number of Customers
II. OUTSIDE CITY (Continued)					
B. PRIVATE FIRE PROTECTION SERVICE					
Sprinklers	$ 37,805	0.03%	- [1]		
Sprinklers - Total Service	29,667	0.02%	- [1]		
	67,472	0.05%	- [1]		
C. OTHER SALES TO PUBLIC AUTHORITIES					
County Agencies	467,458	0.33%	256,872	0.32%	52
State Agencies	7,758	0.01%	4,261	0.01%	2
Federal Agencies	351,910	0.25%	194,352	0.24%	5
Federal Agencies at Denver Rates	20,270	0.01%	14,400	0.02%	1
County Agencies - Total Service	738,246	0.51%	336,493	0.41%	110
State Agencies - Total Service	15,730	0.01%	7,110	0.01%	5
Federal Agencies - Total Service	2,010	0.00%	933	0.00%	2
	1,603,382	1.12%	814,421	1.01%	177
D. SALES OF TREATED WATER FOR RESALE[2]	33,834,278	23.56%	19,569,313	24.09%	66,230
TOTAL SALES OF TREATED WATER - OUTSIDE CITY	78,980,148	55.01%	40,005,232	49.27%	133,561
Revenue per 1,000 Gallons - Outside City			$1.9742		
III. HYDRANT & CONSTRUCTION WATER FEES[3]	1,034,272	0.71%	202,436	0.26%	-
TOTAL SALES OF TREATED WATER	$ 143,596,580	100.00%	81,183,956	100.00%	279,201
Revenue per 1,000 Gallons - Total			$1.7688		
UNACCOUNTED FOR WATER					
Total Treated Water Delivered			83,585,250		
Water Purchased			-		
Total Treated Water Available			83,585,250	100.00%	
Less Sales of Treated Water			81,183,956	(97.13%)	
Unaccounted for[4]			2,401,294	2.87%	

[1]Consumption is considered as part of unaccounted-for treated water.
[2]See "Analysis of Sales of Treated Water For Resale."
[3]Previously reported as Sales of Treated Water - Construction Water on page C-52.
[4]Includes meter slippage, main and service line leakage, public and private fire protection, and other system losses.

ANALYSIS OF SALES OF TREATED WATER FOR RESALE - 2000
(NON-ACCRUAL BASIS)[1]

Treated Water Sold Outside Denver to Municipalities and Distributors through Master Meters[2]

	Revenue	Consumption (000 Gallons)	Estimated Number of Taps[3]
Alameda Water & Sanitation District	$ 178,924	103,210	347
Bancroft-Clover Water & Sanitation District	3,513,375	2,031,264	8,274
Bonvue Water & Sanitation District	37,870	21,960	166
Bow-Mar Water & Sanitation District	188,536	108,639	282
Cherry Creek Valley Water & Sanitation District	1,504,685	870,519	1,596
Cherry Creek Village Water & Sanitation District	321,406	185,495	471
Cherrymoor South Water & Sanitation District[4]	4,529	2,705	95
Consolidated Mutual Water Company	6,241,741	3,611,148	14,600
Crestview Water & Sanitation District	1,497,238	866,468	4,429
City of Edgewater	415,006	240,383	1,466
City of Glendale	593,648	344,198	264
Green Mountain Water & Sanitation District	3,899,736	2,254,750	9,778
High View Water District	374,171	216,439	854
Ken-Caryl Water & Sanitation District	1,783,092	1,029,071	3,595
Lakehurst Water & Sanitation District	1,718,326	993,404	4,779
City of Lakewood	530,344	307,450	866
Meadowbrook Water & Sanitation District	387,154	223,716	1,036
North Pecos Water & Sanitation District	297,883	172,394	366
North Washington Street Water & Sanitation District	1,848,261	1,069,971	3,390
Northgate Water District	15,223	8,815	2
South Adams County Water & Sanitation District	171,648	99,645	154
Valley Water District	987,028	571,750	1,310
Wheat Ridge Water District	1,810,491	1,047,399	5,271
Willowbrook Water & Sanitation District	979,676	565,956	2,839
Willows Water District[5]	866,423	501,108	
Total Sales for Master Meter Distributors	30,166,414	17,447,857	66,230
City of Aurora	3,146	1,808	
City of Broomfield[6]	2,382,884	1,376,872	
Chatfield South Water District	9,078	5,250	
Inverness Water District	236,131	137,276	
South Adams County Special Contract Area	1,036,625	600,250	
Total Sales for Other Contracts at Wholesale Rates	3,667,864	2,121,456	
Total Sales of Treated Water for Resale	$ 33,834,278	19,569,313	66,230

[1]This schedule represents actual billings made for water during the year. The difference from amounts on an accrual basis is immaterial.
[2]Sales on Total Service or Read and Bill Contracts are not included.
[3]Estimated number of taps served behind Master Meters is based on survey analysis.
[4]Master Meter contract terminated in May 2000. Cherrymoor South now served under Total Service contract.
[5]Tap information is not currently available.
[6]As of 1996, taps for City of Broomfield are no longer included.

ANALYSIS OF SALES OF NON-POTABLE WATER BETWEEN DENVER AND OUTSIDE CITY - 2000
(NON-ACCRUAL BASIS)[1]

	Revenue		Consumption			Revenue
	Amount	Percent of Total	Amount (000 Gallons)	Percent of Total	Number of Customers[3]	Per 1,000 Gallons
DENVER						
Raw Water Sales						
City & County of Denver Agencies	$ 161,181	2.95%	283,203	2.55%	2	$ 0.5691
Xcel Energy	112,106	2.05%	238,523	2.15%	1	0.4700
All Other	1,510	0.03%	3,213	0.03%	2	0.4700
Total Denver	274,797	5.03%	524,939	4.73%	5	0.5235
OUTSIDE CITY, WITHIN COMBINED SERVICE AREA						
Raw Water Sales						
Xcel Energy	567,981	10.41%	1,344,152	12.09%	-	0.4226
All Other	20,475	0.38%	89,875	0.81%	2	0.2278
Effluent Sales						
All Other	1,955	0.04%	7,820	0.07%	-	0.2500
Minimum Contract Payments[2]						
All Other	13,833	0.25%			1	
Total Outside City, Within Combined Service Area	604,244	11.08%	1,441,847	12.97%	3	0.4191
OUTSIDE COMBINED SERVICE AREA						
Raw Water for Resale						
City of Arvada	2,605,998	47.77%	5,318,364	47.86%	1	0.4900
North Table Mountain	351,987	6.45%	718,340	6.45%	1	0.4900
	2,957,985	54.22%	6,036,704	54.31%	2	0.4900
Raw Water Sales						
City of Arvada	27,463	0.50%	56,046	0.50%	-	0.4900
Centennial Water & Sanitation District	868,688	15.92%	1,787,129	16.08%	1	0.4861
Consolidated Mutual Water	39,935	0.73%	81,499	0.73%	1	0.4900
City of Englewood	44,982	0.82%	228,096	2.05%	1	0.1972
U. S. Department of Energy	55,126	1.01%	112,503	1.01%	1	0.4900
City of Westminster	320,696	5.88%	682,332	6.14%	1	0.4700
All Other	68,577	1.26%	159,648	1.44%	8	0.4296
	1,425,467	26.12%	3,107,253	27.95%	13	0.4588
Effluent Sales						
All Other	1,131	0.02%	4,522	0.04%	1	0.2501
Minimum Contract Payments[2]						
City of Broomfield	96,115	1.76%	-	-	-	-
Consolidated Mutual Water	95,868	1.76%	-	-	-	-
All Other	392	0.01%	-	-	2	-
	192,375	3.53%	-		2	
Total Outside Combined Service Area	4,576,958	83.89%	9,148,479	82.30%	18	0.5003
TOTAL SALES OF NON-POTABLE WATER	$ 5,455,999	100.00%	11,115,265	100.00%	26	$ 0.4909
OTHER NON-POTABLE WATER DELIVERIES						
City Ditch at Washington Park			5,697,831			
City of Englewood (Cabin-Meadow Exchange)			1,107,893			
Total Other Non-Potable Water Deliveries			6,805,724			
TOTAL NON-POTABLE WATER DELIVERIES			17,920,989			

[1]This schedule represents actual billings made for water during the year. No accruals were made for revenue earned on unbilled metered accounts. The difference from amounts on an accrual basis is immaterial.

[2]Effective for 1997, non-potable sales have been identified as raw, effluent, and minimum contract payments. The minimum payment category reflects contract-stipulated payments in excess of the revenue recorded for actual deliveries of non-potable water. Prior to 1997, this revenue was reported as Special Assessments-Other on the "Operating Revenue and Related Water Consumption" schedule.

[3]If the customer is reflected in the count of raw water customers, it is excluded from the count of effluent and minimum contract payment customers.

RECEIPTS AND EXPENDITURES
BUDGET TO ACTUAL COMPARISON 1996 - 2000 AND 2001 BUDGET
(CASH BASIS)
(amounts expressed in thousands)

	1996		1997		1998		1999		2000		2001
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget
BEGINNING CASH & INVESTMENTS	$71,652	$69,791	$85,011	$ 84,727	$125,385	$135,746	$130,544	$130,544	$149,851	$149,851	$165,594
RECEIPTS FROM:											
Sale of water	110,970	114,782 [1]	115,500	123,005 [3]	124,502	127,281	127,754	126,160	133,298	151,490 [10]	139,465
Nonoperating, interest & other	12,003	10,421	13,915	16,113	14,156	16,379	13,700	18,438	16,364	16,647	16,746
System development charges	14,100	15,280	14,290	45,092 [4]	19,200	33,187 [6]	14,600	24,328	19,100	25,620 [11]	21,300
Developer participation (new facilities)	5,330	3,050	3,350	3,731	3,733	8,413	9,017	13,171	3,741	6,392	3,915
Reimbursements & grants	710	498	650	113	96	168	440	371	387	791	1,637
Subtotal	143,113	144,031	147,705	188,054	161,687	185,428	165,511	182,468	172,890	200,940	183,063
Sale of bonds	16,975	16,836	19,530	19,644	-	0	38,272	14,472 [8]	12,700	12,677	11,159
Total receipts	160,088	160,867	167,235	207,698	161,687	185,428	203,783	196,940	185,590	213,617	194,222
LESS EXPENDITURES FOR:											
Operations, maintenance & refunds	70,534	72,484	71,201	72,066	70,495	75,105	76,868	79,481	80,296	80,836	82,059
Debt service	43,049	42,463	43,950	43,905	48,553	48,247	36,825	36,240	34,454	34,041	31,629
Subtotal	113,583	114,947	115,151	115,971	119,048	123,352	113,693	115,721	114,750	114,877	113,688
Capital improvements (new facilities)	8,080	3,473	24,328	19,029	30,264 [5]	43,336 [7]	45,523	35,496 [9]	45,910	51,705 [12]	74,508
System replacements	19,868	15,294	9,286	8,109	12,316	7,589	12,927	10,573	17,582	16,236	13,688
Equipment	5,694	5,209	4,544	5,477	7,083	7,493	7,122	6,343	9,119	5,746	8,298
Subtotal	33,642	23,976 [2]	38,158	32,615	49,663	58,418	65,572	52,412	72,611	73,687	96,494
Indirects to capital	7,600	7,008	8,128	8,093	8,200	8,860	9,500	9,500	9,579	9,310	9,884
Total expenditures	154,825	145,931	161,437	156,679	176,911	190,630	188,765	177,633	196,940	197,874	220,066
ENDING CASH & INVESTMENTS	$76,915	$84,727	$90,809	$135,746	$110,161	$130,544	$145,562	$149,851	$138,501	$165,594	$139,750

(Continued next page)

RECEIPTS AND EXPENDITURES
BUDGET TO ACTUAL COMPARISON 1996 - 2000 AND 2001 BUDGET (Continued)

GENERAL EXPLANATION OF VARIANCES

Variances in operating receipts are generally due to abnormal climatic conditions.
Variances in system development charges are generally related to levels of activity in the home building industry.
Variances in capital improvements are generally due to changes in project scheduling.

[1] 1996 Operating Receipts were over budget by $3.8 million due to high consumption levels in June, September & October.

[2] 1996 Capital Projects were under budget by $9.7 million primarily due to rescheduling several construction projects to 1997.

[3] 1997 Operating Receipts were over budget by $7.5 million due to an increase in billings for October and the City & County of Denver paying past due amounts and converting to a monthly basis.

[4] 1997 System Development Charges were over $30.8 million due to substantial continued growth in the housing market, unbudgeted amounts of $22.9 million from South Adams County, $963,000 from the City of Arvada, and $1.2 million from Araphoe Estates Water District.

[5] 1998 Capital Budget - this high level of expenditure reflects acquisition of gravel pit storage at $4.1 million, updates and improvements to the treatment plants to comply with Federal and State regulations of $13.3 million, construction of the Colorow and Chatfield Reservoir totaling $3.7 million, the low-side addition to Chatfield Pump Station at $2.4 million, construction of Conduit 74, phase 3 and 4, totaling $4.7 million, and purchase of new computer systems at $2.1 million.

[6] 1998 Actual System Development Charges receipts of $33.2 million were $14.0 million more than budgeted substantially due to an unbudgeted receipt of $12.5 million from Public Service Company for delivery of 5,200 acre feet of non-potable water.

[7] 1998 Actual Capital Expenditures of $67.3 million exceeded budget by $9.4 million primarily due to an unbudgeted acquisition of the Moffat Water Tunnel for $7.0 million and $4.0 million more than budgeted for acquisition of gravel pit storage. These increases were partially offset by underruns of $1.5 million for construction of Colorow Reservoir and $1.6 million for installation of natural gas and variable engines at six pump stations. Both of these projects were deferred to 1999.

[8] 1999 Actual Bond Proceeds of $14.5 million were $23.8 less than budgeted due to not issuing new Certificates of Participation as budgeted.

[9] 1999 Capital Improvements were under budget by $10.0 million primarily due to the timing of the following projects: Gravel Pit purchases ($4.5 million), construction of the Reuse Plant ($3.1 million), construction of a new 5.0 million gallon reservoir at Chatfield ($1.6 million) and construction of Colorow Reservoir ($1.5 million).

[10] 2000 Actual Operating receipts were over budget due to the unusually warm weather and the resulting high consumption during much of 2000.

[11] 2000 System Development Charges were over budget $6.5 million due to substantial continued growth in the housing market and an unbudgeted second payment of $1.1 million from Willows Water District to pay down their debt.

[12] 2000 Capital Improvements were over budget $5.8 million primarily due to Gravel Pit purchases (15.1 million) partially offset by underruns of $4.0 million for construction of Reuse Plant, $1.9 million Gross Dam Gates on Outlet works and several other large projects.

SYSTEM DEVELOPMENT CHARGES AND PARTICIPATION FEES: 1973 - 2000
(CASH BASIS - NET OF REFUNDS)

	System Development Charges[1]	Participation Receipts
2000	$ 25,525,391	$ 6,392,960
1999	35,939,166	11,963,951
1998	33,155,890	8,411,534
1997	45,058,104	3,732,524
1996	15,137,300	2,913,100
1995	15,527,600	3,929,800
1994	13,535,700	2,881,800
1993	12,181,800	1,343,600
1992	10,920,300	1,198,800
1991	7,530,400	2,330,700
1990	6,615,100	1,838,700
1989	6,251,400	4,965,200
1988	6,084,600	3,067,700
1987	8,544,400	4,561,300
1973-86	149,473,600	43,647,100
	$391,480,751	$103,178,769

[1]The System Development Charges receipts above are permitted to be used to retire debt.